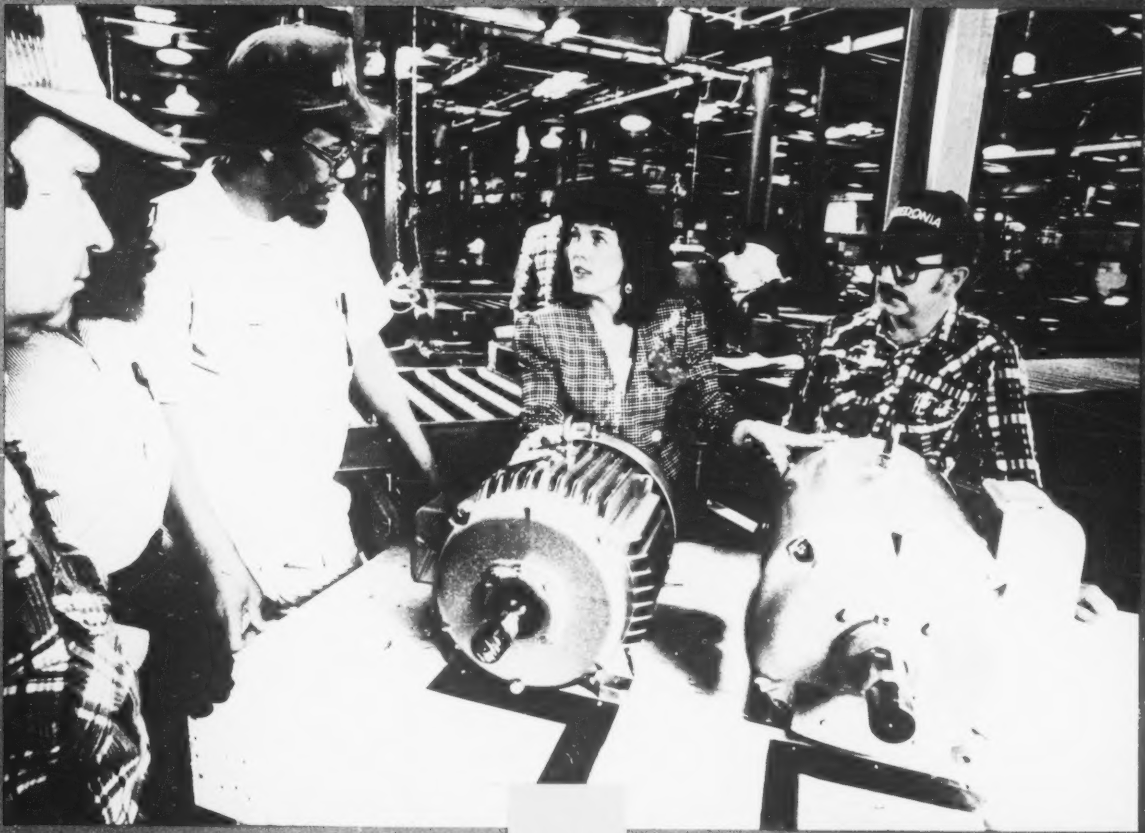
MISSISSIPPI

Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 1990



WORKFORCE

THE THREE R'S ON THE SHOP FLOOR

State of Mississippi

Comprehensive Annual Financial Report 1990

MISSISSIPPI

Fiscal Year Ended June 30, 1990

Department of Finance and Administration
Post Office Box 267
Jackson, MS 39205

John W. Cook
Executive Director

Cover Concept: Features Special Education Issue Concept by Fortune Magazine, "Saving Our Schools", May 1990.
Cover Photo: Baldor Electric Company's Workplace Literacy Program, Columbus, Mississippi;
Photo by Jackson Hill/Southern Lights Photography

December 31, 1990

To the Members of the Legislature and the Citizens of Mississippi:

It gives me great pleasure to submit to you this Comprehensive Annual Financial Report for the fiscal year ended June 30, 1990. This report clearly and concisely conveys the financial condition of the State of Mississippi.

Mississippi is dedicated to the work force of today and tomorrow through a progressive education program and worker training efforts that will create a State work force that is competitive well into the 21st Century. In view of their relative importance, Mississippi's worker training efforts are the narrative theme of this report.

Fiscal control and integrity have been and always will be principal objectives of my administration.

Sincerely,

Ray Mabus

RAY MABUS
Governor

State of Mississippi

Table of Contents

Introduction

Letter of Transmittal 6
Certificate of Achievement for Excellence in Financial Reporting 13
Officials of State Government 14
Organization Chart 15

Financial Section

Auditor's Report 19

General Purpose Financial Statements: 21

Combined Balance Sheet - All Fund Types and Account Groups 22

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds 24

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds 26

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types and Similar Trust Funds 28

Combined Statement of Cash Flows - All Proprietary Fund Types and Nonexpendable Trust Funds 29

Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers and Changes in Fund Balances - University Funds 30

Notes to the Financial Statements 33

Combining and Individual Fund Financial Statements and Supporting Schedules:

General Fund: 67

Balance Sheet 68

Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balance 69

Schedule of Current Expenditures by Function and Department 70

Special Revenue Funds: 71

Significant Special Revenue Funds Descriptions 71

Combining Balance Sheet - Special Revenue Funds 74

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Special Revenue Funds 76

Combining Balance Sheet - General Government 78

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - General Government 80

Combining Balance Sheet - Education 82

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Education 83

Combining Balance Sheet - Health and Social Services 84

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Health and Social Services 86

Combining Balance Sheet - Law, Justice and Public Safety 88

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Law, Justice and Public Safety 90

Combining Balance Sheet - Recreation and Resources Development 92

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Recreation and Resources Development 94

Combining Balance Sheet - Regulation of Business and Professions 96

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Regulation of Business and Professions 98

Combining Balance Sheet - Transportation 100

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Transportation 101

Debt Service Funds: 103

Debt Service Funds Descriptions 103

Combining Balance Sheet - Debt Service Funds 104

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Debt Service Funds 106

Capital Projects Funds: 109

Capital Projects Funds Descriptions 109

Combining Balance Sheet - Capital Projects Funds 110

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances - Capital Projects Funds 110

Enterprise Funds: 111

Enterprise Funds Descriptions 111

Combining Balance Sheet - All Enterprise Funds 114

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - All Enterprise Funds 116

Combining Statement of Cash Flows - All Enterprise Funds 118

Combining Balance Sheet - Other Enterprise Funds 122

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Other Enterprise Funds 124

Combining Statement of Cash Flows - Other Enterprise Funds 126

Internal Service Funds: 131

Internal Service Funds Descriptions 131

Combining Balance Sheet - Internal Service Funds 132

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Internal Service Funds 134

Combining Statement of Cash Flows - Internal Service Funds 136

Trust and Agency Funds: 139

Significant Trust and Agency Funds Descriptions 139

Combining Balance Sheet - Trust and Agency Funds 141

Combining Balance Sheet - Expendable Trust Funds 142

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Expendable Trust Funds 143

Combining Balance Sheet - Nonexpendable Trust Funds 144

Combining Statement of Revenues, Expenses and Changes in Fund Balances - Nonexpendable Trust Funds 144

Combining Statement of Cash Flows - Nonexpendable Trust Funds 145

Combining Balance Sheet - Pension Trust Funds 146

Combining Statement of Revenues, Expenses and Changes in Fund Balances - Pension Trust Funds 148

Combining Balance Sheet - Agency Funds 150

Combining Statement of Changes in Assets and Liabilities - All Agency Funds 152

University Funds: 155

University Funds Descriptions 155

Combining Balance Sheet - University Funds 156

General Fixed Assets Account Group: 159

Schedule of General Fixed Assets by Function 160

Schedule of Changes in General Fixed Assets 160

Schedule of Changes in General Fixed Assets by Function 160

Statistical and Economic Data 161

Table

Expenditures by Function .... I 162

Revenues by Source .... II 162

State Tax Revenues by Source .... III 162

Net General Long-term Bonded Debt Per capita .... IV 164

Ratio of Annual Debt Service for General Long-term Bonded Debt to Total Revenues and Expenditures .... V 164

Computation of Legal Debt Margin .... VI 165

Revenue Bond Coverage .... VII 165

Demographic Statistics .... VIII 166

Economic Characteristics .... IX 166

Bank Deposits, Retail Sales, Median Household Disposable Income .... X 167

Population and Employment .... XI 167

Principal Industrial Employers .... XII 167

Mississippi Average Annual Employment by Sector .... XIII 168

Mississippi Average Annual Wages by Sector .... XIV 168

Public School Enrollment .... XV 170

Full-time Equivalent Student Enrollment - Community and Junior Colleges .... XVI 170

Full-time Equivalent Student Enrollment - Universities .... XVII 170

Introduction

STATE OF MISSISSIPPI
DEPARTMENT OF FINANCE AND ADMINISTRATION
RAY MABUS
GOVERNOR

December 28, 1990

To The Governor :

It is my pleasure to transmit to you the Comprehensive Annual Financial Report of the State of Mississippi for the year ended June 30, 1990 as provided in Section 27-104-4, Mississippi Code Annotated (1972). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentations in the financial statements, including all disclosures, rests with the State. I believe the information as presented is accurate in all material aspects and is presented in a manner which sets forth the financial position and results of operations of the State of Mississippi in accordance with generally accepted accounting principles (GAAP). The financial presentations in this report are designed to show the financial activities of the fund types and account groups of the State. All disclosures necessary to enable a reader to gain maximum understanding of the State's financial activities have been included.

The 1990 Comprehensive Annual Financial Report is presented in three sections: the introductory section which provides summary financial data and narrative commentary on matters of interest to the reader; the financial section which includes the State Auditor's report, audited general purpose financial statements and notes thereto, and underlying combining and individual fund financial statements and supporting schedules; and the statistical section which sets forth selected unaudited economic, financial trend and demographic information for the State on a multi-year basis.

The financial statements present information on the financial position and operations of State government as a single comprehensive reporting entity. The various agencies, departments, boards, commissions and accounts of Mississippi State government which constitute the State reporting entity are included in this report in accordance with criteria established by the Governmental Accounting Standards Board. The criteria used in defining the State reporting entity are fully discussed in Note 1B. The State's universities are reported in a separate fund category on the balance sheet. The university fund's operating statement is presented separately within the general purpose financial statements in conformity with applicable generally accepted accounting principles.

Economic Conditions

During 1990, Mississippi's economy continued the steady improvement that has characterized our State's economic performance over the past several years. While talk of a recession and a downturn in economic activity has been diagnosed for the nation, Mississippi's economy has continued to diversify. This diversification has produced a statewide economy that, in the main, will ensure a better opportunity for economic stability.

Numerous diverse activities create a formula which together can result in economic progress. That progress can be measured most clearly by looking at three important statistics: per capita income, the unemployment rate and the labor force participation rate. The per capita income of our citizenry is an important statistic since it succinctly communicates the measure of our success in economic development. Mississippi's per capita income increased by an average of 7.0% for 1988 and 1989 and has improved 70.3% over the last ten years.

A State's annual unemployment rate is a significant factor when analyzing basic economic progress. The annualized rate also averages monthly figures which reflect seasonal swings or nonrecurring circumstances. Mississippi's unemployment rate also reflected steady improvement having dropped from a 1986 average of 11.7% to a 1990 average of 7.3%. This figure represents the lowest State rate since 1979.

The labor force participation rate, also a long-term trend, is a percentage created by dividing the number of people in the labor force by the State's total population. Mississippi's participation rate increased slightly to 44% in 1989. State employment has been growing solidly this year and overall will be up by about 1.5% in 1990, providing approximately 17,800 new jobs.

Still, enough key figures are down to show that a slowdown will be hard to avoid. Overall, 1991 can be expected to be a year of very slow growth. Recently enacted cutbacks in federal spending and increased federal taxes will slow consumer spending. Rising energy costs may also have a negative impact. Mississippi has contributed significantly to the build-up of U.S. forces in the Middle East. New developments or an armed conflict in the Persian Gulf may substantially impact the economies of the nation and the State.

Accomplishments

Fiscal year 1990 was a year of hard work and progress for Mississippi State Government. While it is not possible to describe all of the significant accomplishments occurring during the year, the five described below are particularly noteworthy.

During the 1990 Legislative Session, the Governor's program entitled "Better Education for Success Tomorrow" or "B.E.S.T." was presented to and adopted by the State Legislature. Receiving national acclaim, B.E.S.T. is comprised of a variety of programs based on four basic ground rules:

- Every school should be measured every year, and improvement should be demanded every year;
- Education should be a family affair;
- Every decision that can be made at the local level should be, and
- The State should be able to implement B.E.S.T. without a tax increase.

As a complement to B.E.S.T., Mississippi launched a number of specific initiatives in work force preparation and workplace literacy, and the State's efforts in adult literacy continue to attract national attention. As part of the effort Mississippi has established a number of programs through the Mississippi Literacy Foundation, including Jobs for Mississippi Graduates in six high schools and a Skills Enhancement Program to provide training to make workers more productive.

During 1990, the State implemented the Executive Branch Reorganization Act, passed during the 1989 Regular Session of the Mississippi Legislature, which consolidated state agencies and eliminated or changed many of the governing bodies in the executive branch of state government. The goal of the legislation was to create a more economical, efficient and effective state government. As a result of reorganization fifteen governing boards were eliminated leading to increased accountability of state government. Transfers between budgets in this effort involved approximately 7,500 employee positions and $600 million of appropriations.

The new departments created are: the Department of Finance and Administration; the Department of Economic and Community Development; the Department of Human Services; the Department of Wildlife, Fisheries and Parks; and the Department of Environmental Quality. In addition, the Boards of Trustees for the Schools for the Deaf and for the Blind were abolished, and the schools were merged into a new division within the Department of Education. The Board of Trustees of the Children's Rehabilitation Center was also abolished and the Children's Rehabilitation Center became a division of the University Medical Center. The Department of Criminal Justice Planning was moved from the Governor's Office of Federal-State Programs to a new division in the Department of Public Safety.

It is with great pride that, during 1990, Mississippi joined the ranks of other states and most successful businesses by instituting a formal, comprehensive capital improvements plan. For the first time, fiscal year 1990 provides Mississippi with a capital improvements program and the bonding authority of approximately $78,000,000 for various projects. This program introduced by Governor Mabus "initiates a program in which the State can protect its existing capital assets and begin to address its needs for additional construction and renovation projects." The hallmark of Mississippi's capital improvements program is that "it not only recommends specific capital improvements but suggests a way to address our practical needs over time." That "suggestion" is collective, long-range planning for Mississippi's capital needs.

Because of Mississippi's tradition of rarely using debt for construction projects, the State enjoys great flexibility for the financing of the program. Currently, the State has available about 83% of its constitutional debt capacity, so there is no danger of overburdening the taxpayers with debt service at the expense of government service. Further, according to "Moody's Medians," Mississippi's use of general obligation bonds to finance this program has minimal effect on the State's debt position when compared to the other states.

Effective for fiscal year 1990, Mississippi introduced its new Statewide Automated Accounting System (SAAS) to satisfy the financial management information and accounting control requirements of the State's central fiscal control agencies as well as the common accounting and processing needs of individual state agencies. Six individual agencies currently use SAAS as their primary accounting system, and plans are underway for additional agencies to use the system. SAAS allows more effective planning and budgeting, and directly contributes to the efficiency and accuracy of preparation of the accompanying financial statements.

Future Initiatives

Achievement of the broad goals established for the current administration, listed below, will require intense effort during the coming years. These goals include:

- Providing more economic opportunity for all Mississippians;
- Seeing that Mississippi children can excel in the 21st Century;
- Providing all Mississippi citizens with the best possible health care;
- Conquering the scourge of drugs and making streets and homes safe;
- Making the best use of the people's money, and
- Respecting and protecting the environment.

To accomplish these goals, the Executive Branch has undertaken a formal program of strategic planning. As part of this process, the most critical issues facing the State over the next several years are identified and analyzed, and strategies are developed for managing them. The State's strategic planning approach has been designed to:

- Deliver information to Executive Branch policy makers about issues that is extensive but concise in form;
- Provide a structured way of setting priorities on issues and generating options for dealing with them, and
- Link issue analysis, consideration of option, and budget development in a way that establishes a multi-year framework for budget making.

Financial Information

State managers are responsible for establishing and maintaining an internal control structure to ensure that government assets are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow preparation of financial statements in conformity with GAAP. Internal accounting controls have been implemented to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. I believe that the State's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In addition, the State maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual budget approved by the Legislature. The State's budget is prepared on a modified cash basis utilizing encumbrance accounting. Budgetary control is maintained by a formal appropriation and allotment system. The six-month allotment control process is designed and used as a management tool to enable agencies to operate on a continuing basis.

Unexpended appropriations at June 30 are available for subsequent expenditure only to the extent that encumbrances represented by executed but unperformed purchase orders have been established and are presented for payment during the succeeding 60-day lapse period. Encumbrances are reported in the financial statements as expenditures for budgetary purposes and as a reservation of fund balance for GAAP purposes.

As described in Note 2 to the General Purpose Financial Statements, the State has two statutes which address the reduction of agency appropriations by the State Fiscal Officer should it be found that funds will not be available within the period for which the budget is drawn. Such reductions up to 5% of appropriations are allowed on a selective basis, but before any appropriation is reduced by more than 5% all appropriations (except those exempted by statute) must first be reduced by 5%. Because of anticipated shortfalls in fiscal year 1991 General Fund revenues, selected appropriations have been reduced to date by $28,188,618, and an employee hiring freeze has been enacted. If actual revenue collections continue as now expected, additional cuts are anticipated unless new revenue measures are adopted in the upcoming legislative session.

General Government Functions

Most State functions are financed through the governmental fund types, which include the general, special revenue, capital projects and debt service funds. Revenues from governmental fund type sources for fiscal years 1990 and 1989 are compared in the following table:

	FY 1990		FY 1989		Increase
Revenues by Source	**Amount**	**Percent of Total**	**Amount**	**Percent of Total**	**(Decrease) from FY 1989**
State taxes	$ 2,303,885,659	53.2%	$ 2,246,035,054	55.2%	$ 57,850,605
Licenses, fees and permits	72,833,646	1.7	70,253,943	1.7	2,579,703
Federal government	1,662,309,666	38.4	1,495,328,622	36.7	166,981,044
Interest on investments	67,455,106	1.6	63,008,328	1.6	4,446,778
Departmental services	159,413,406	3.7	151,958,748	3.7	7,454,658
Other	59,599,242	1.4	42,935,296	1.1	16,663,946
	$ 4,325,496,725	100.0%	$ 4,069,519,991	100.0%	$ 255,976,734

State tax rates have not changed during the past year. The increase in tax revenues is primarily the result of an increase of $57,407,613 in collections of sales and use tax. Increases of $152,251,436 in federal funding for Education, Human Services and Medicaid programs account for 91% of the increase in federal revenues.

Expenditures from governmental fund type sources for fiscal years 1990 and 1989 are summarized in the following table:

	FY 1990		FY 1989		Increase
Expenditures by Function	**Amount**	**Percent of Total**	**Amount**	**Percent of Total**	**(Decrease) from FY 1989**
General government	$ 504,340,737	12.3%	$ 580,594,719	15.2%	$ (76,253,982)
Education	1,263,665,620	30.8	1,172,932,212	30.7	90,733,408
Health and social services	1,494,997,371	36.4	1,304,660,205	34.2	190,337,166
Law, justice, and public safety	181,206,569	4.4	156,892,586	4.1	24,313,983
Recreation and resources development	147,773,182	3.6	86,743,624	2.3	61,029,558
Regulation of business and professions	14,854,617	.4	13,462,811	.4	1,391,806
Transportation	389,375,419	9.5	381,578,439	10.0	7,796,980
Other			6,044,047	.1	(6,044,047)
Debt service	78,020,157	1.9	78,563,137	2.1	(542,980)
Capital outlay	31,497,185	.7	34,274,787	.9	(2,777,602)
	$ 4,105,730,857	100.0%	$ 3,815,746,567	100.0%	$ 289,984,290

Expenditures for 1990 increased 7.6% over 1989, representing the impact of inflation and normal growth in the economy. A reduction in general government expenditures of approximately $91,000,000 and corresponding increases in health and social services and recreation and resources development expenditures of approximately $36,000,000 and $55,000,000, respectively, result from the creation and reclassification of certain special revenue funds in response to the Executive Branch Reorganization Act. Additionally, approximately $111,000,000 of the increase in health and social services expenditures results from continued expansion of the Medicaid program.

General Fund Balance

The General Fund GAAP balance at June 30, 1990 of $563,825,108 demonstrates fiscal conservatism and the result of prudent fiscal practices. However, the undesignated and uncommitted portion of the fund balance declined from $234,454,020 to $112,922,273. The June 30, 1990 fund balance represents a 7.4% decrease from June 30, 1989.

Included in the GAAP General Fund are two statutory funds, the General Fund Stabilization Reserve Account and the General Fund Reserve Account, in which certain surplus monies are deposited and may be appropriated by the Legislature to meet unforeseen revenue shortfalls occurring during the next fiscal year. The balances available within these accounts aggregated $21,305,252 at June 30, 1990. No additional contributions are planned during fiscal year 1991 as the statutory balance requirements have been met. In addition, there is a Working Cash Balance Revolving Account with a balance of $38,318,053 that the State Treasurer may draw upon to meet daily cash flow needs.

Enterprise Operations

The State's enterprise operations encompass several financing authorities that are used to enhance the economic and environmental quality of the State. These operations include the Mississippi Business Finance Corporation, Veterans' Home Purchase Board, Mississippi Home Corporation, and Mississippi Hospital Equipment and Facilities Authority. During the year, $16,762,559 of new loans were issued to spur continued expansion in these areas. Economic and environmental loans generated $49,760,310 of interest revenue in fiscal year 1990 that will in turn be used to further expand these important programs. This expansion was further supplemented with proceeds from the issuance of $117,395,000 of revenue bonds. The enterprise operations generated net income of $9,331,652 during fiscal year 1990 which represents a 56% increase from fiscal 1989 results. Current enterprise operations generated a revenue to debt service coverage of .26 which meets all bond indenture requirements.

Pension Trust Fund Operations

The operations of the State's three pension trust funds are administered by the Public Employees' Retirement System of Mississippi (System). The Public Employees' Retirement System (PERS) covers substantially all employees of the State and its political subdivisions. At June 30, 1990, the PERS had accumulated $4,061,772,800 of net assets available for benefits compared with an actuarially determined pension benefit obligation (PBO) of $5,949,750,000 for the 210,698 members of the PERS. To provide a perspective for the State's direct participation in the plan, the State's contributions represented 35.28% of the total contributions to the PERS required of all participating entities including political subdivisions.

Uniformed officers of the Department of Public Safety participate in the Mississippi Highway Safety Patrol Retirement System (MHSPRS). At June 30, 1990, the MHSPRS had accumulated $93,965,901 of net assets available for benefits compared with an actuarially determined PBO of $108,710,000. Elected members of the State Legislature and the President of the Senate participate in the Supplemental Legislative Retirement Plan which has accumulated $431,000 of net assets available for benefits compared with an actuarially determined PBO of $3,225,000.

The System also serves as an administrator for the Municipal Retirement System, however, the State does not contribute to this plan.

Debt Administration

The State Bond Commission, composed of the Governor, State Attorney General and State Treasurer, approves and authorizes the sale and issuance of State bonds in accordance with authorizing legislation and within the defined constitutional debt limit. The total outstanding general obligation bonded indebtedness, including limited obligation bonds, of governmental fund types for the State as of June 30, 1990 was $584,057,762. Mississippi currently has a rating of Aa from Moody's Investors Services and a rating of AA- from Standard and Poor's Corporation. These ratings have been maintained over the past 13 years.

During the fiscal year ending June 30, 1990, the State Bond Commission issued $95,330,000 in general obligation bonds. These bond issues include $68,500,000 for construction and renovation of capital facilities, $17,000,000 to finance facilities related to the Yellow Creek NASA project, and $7,490,000 under the Small Enterprise Development Finance Act to provide funding for various economic development projects. Subsequent to June 30, 1990, the State issued $74,360,000 of general obligation bonds.

The State's net general obligation debt per capita increased by $11 during fiscal year 1990 because of the bond issues described above; however, the $137 debt per capita is only 51% of the 1981 amount. Moreover, debt service expenditures remained at a level equal to 2% of total governmental fund expenditures.

At June 30, 1990, 15.1% of the $3,875,673,536 bonded indebtedness ceiling established by the State constitution was outstanding. Current practice restricts revenues included in the foregoing debt limitation computation to the following governmental fund revenues: taxes, licenses, fees and permits, investment income, rental income, service charges including net income from the Alcoholic Beverage Control Division, fines, forfeits and penalties.

Cash Management

It is the duty of the State Treasurer and the Executive Director of the Department of Finance and Administration to analyze for cash flow needs and investment purposes the amount of cash in the State General Fund and in the special funds credited to any special purpose designated by the Legislature. The State Treasurer deposits available funds with official depositories of the State. In addition, the Public Employees' Retirement System, Mississippi Home Corporation and a small number of other State agencies carry out investment activities separate from the State Treasurer. Of $5,345,800,171 in investments at June 30, 1990, $4,967,986,656 were either held by the State's agent or the depository's agent in the State's name.

During 1990, the State of Mississippi has experienced lower than anticipated General Fund revenues, primarily related to corporate and personal income taxes. By statue, the State may borrow funds to offset any temporary cash flow deficiencies but such borrowings are limited to 5% of total general fund appropriations for the fiscal year in which such deficiencies occur and must be repaid during the fiscal year such funds are borrowed. The State Bond Commission has authorized borrowing aggregating $100,942,669 from special fund monies for General Fund operations. This authorization is in excess of monies available to the General Fund from the Working Cash Balance Revolving Fund which total $38,623,158.

As described in Note 20 to the General Purpose Financial Statements, at December 21, 1990, the General Fund had borrowings outstanding of $85,623,158. Of that amount, $47,000,000 was borrowed from special funds and $38,623,158 was borrowed from the Working Cash Balance Revolving Fund. As of December 28, 1990, $30,000,000 of the $47,000,000 borrowed from the special funds has been repaid.

The State's available resources invested in Mississippi bank certificates of deposits and repurchase agreements earn interest at rates which approximate the U.S. Treasury bill discount rate for those with comparable maturities. The twelve month Federal Reserve's Constant Maturities Index (CMI) average yield rate is approximately 8.13% for the twelve months ending June 30, 1990 as compared to a rate of 8.44% for the previous year. The twelve month CMI average is comprised of all U.S. Treasury notes, bonds and bills with one year left to maturity. The pension trust fund's total portfolio of stocks and bonds had a 10.4% total rate of return for fiscal year 1990. The median rate of return for state retirement plans according to SEI Funds Evaluation Service for the 12 months ending June 30, 1990 was 9.3%. The State earned interest and dividend income of $389,482,023 on all investments for the year ended June 30, 1990.

Risk Management

Effective July 1, 1990, the State established a self-funded Workers' Compensation program. Annual premiums of approximately $5,000,000 include participation by a large number of agencies, including some that were previously having difficulty obtaining coverage. The State is also conducting a study of the feasibility of an arrangement to cover possible liability exposure for all state agencies. This arrangement would provide coverage for tort risks to which state agencies may be subject. Monies received would be used to provide claims handling, loss control and litigation defense for claims of negligence brought against a state agency. This arrangement is contingent upon passage of legislation abolishing sovereign immunity for the State.

Other Information

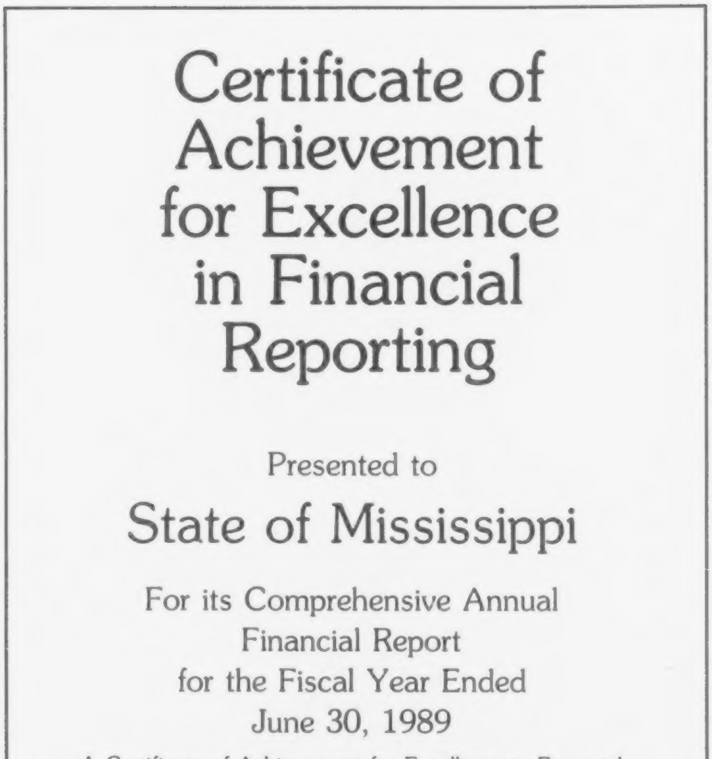
Pursuant to Section 7-7-211(d), Mississippi Code Annotated (1972), the State Auditor has performed an examination, in accordance with generally accepted auditing standards, of the State's general purpose financial statements. His unqualified opinion is presented as the first page of the financial section of this report. Also, as required by federal law, the State Auditor has undertaken a single audit of the State as a whole, which will include a legal compliance report on all federal funds received and expended by State government. This report, including the Schedule of Federal Financial Assistance received by the State, and comments on internal accounting controls and compliance with laws, rules and regulations, will be published separately.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mississippi for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1989. This is the third year the State has received this prestigious award. In order to be awarded a Certificate of Achievement, the State published an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was made possible by the dedicated services of the staff of the Department of Finance and Administration with the cooperation and support of the Department of Audit and the various agency heads and employees who assisted and contributed to its preparation.

John W. Cook

John W. Cook
Executive Director



Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Mississippi

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1989

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.

Gary R. Norstrem
President

Jeffrey L. Esser
Executive Director

Officials of State Government

Executive Branch

Governor

Ray Mabus

Lieutenant Governor

Brad Dye

Secretary of State

Dick Molpus

State Auditor

Pete Johnson

State Treasurer

Marshall Bennett

Attorney General

Mike Moore

Commissioner of Agriculture and Commerce

Jim Buck Ross

Commissioner of Insurance

George Dale

State Highway Commissioners

Wayne O. Burkes
Ronnie Shows
Zack Stewart

State Public Service Commissioners

Nielsen Cochran
Dorlos Robinson
George T. Watson

State Fiscal Officer

John W. Cook

Legislative Branch

Speaker of the House of Representatives

Tim Ford

Speaker Pro Tempore of the House of Representatives

Cecil L. Simmons

President Pro Tempore of the Senate

Glen S. Deweese

Secretary of the Senate

Frank Barber

Clerk of the House of Representatives

Charles J. Jackson, Jr.

Legislative Budget Office

Robert A. Greenlee, Director

Joint Legislative Committee on Performance Evaluation and Expenditure Review

John W. Turcotte, Director

Judicial Branch

Supreme Court of Mississippi

Chief Justice

Roy Noble Lee

Presiding Justices

Armis E. Hawkins
Dan M. Lee

Justices

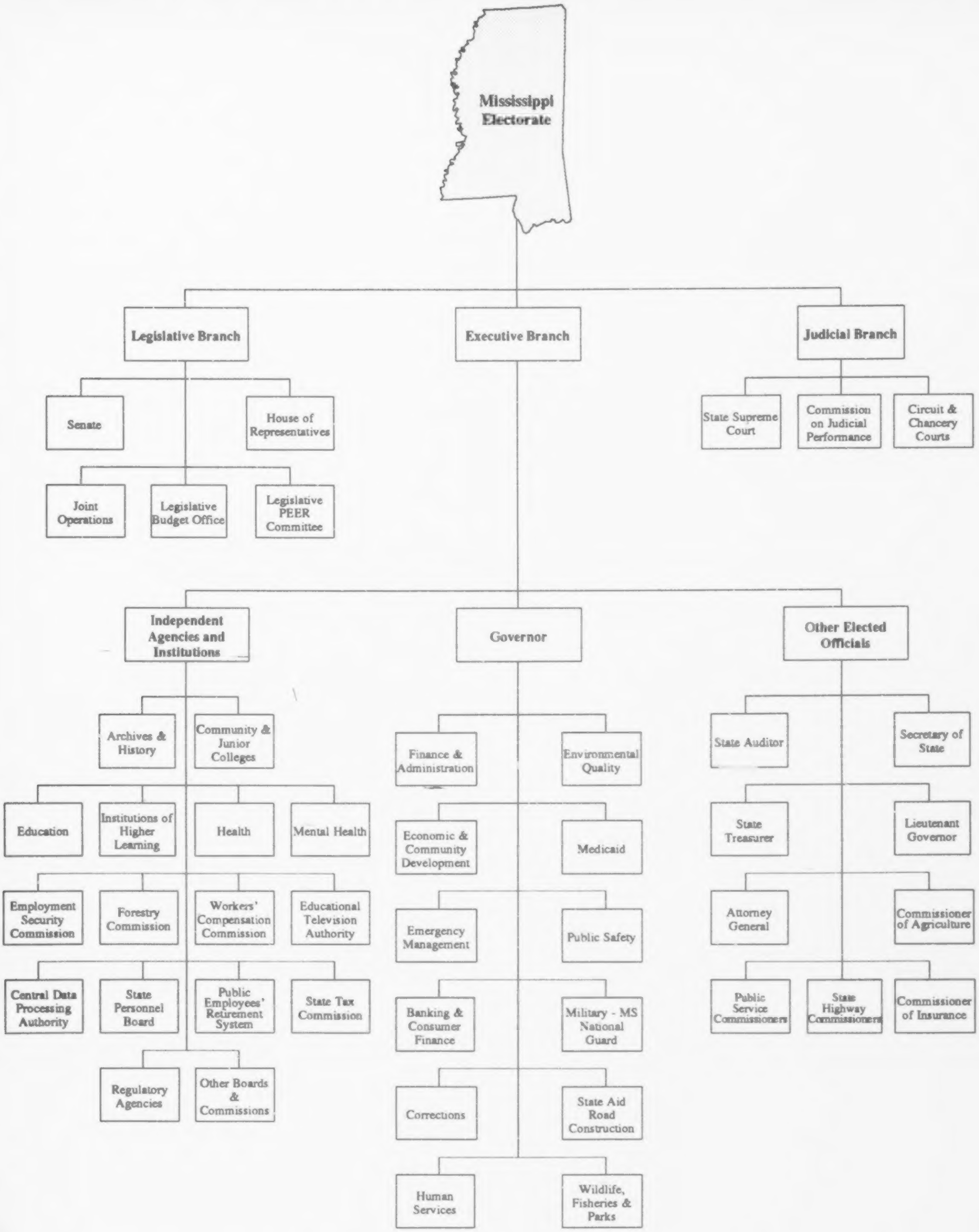
Reuben Anderson
Joel Blass
Edwin Pittman
Lenore L. Prather
James L. Robertson
Michael Sullivan

Clerk of the Supreme Court

Linda Stone

State of Mississippi

Organization Chart


Mississippi Electorate
Legislative Branch
Executive Branch
Judicial Branch
Senate
House of Representatives
Joint Operations
Legislative Budget Office
Legislative PEER Committee
State Supreme Court
Commission on Judicial Performance
Circuit & Chancery Courts
Independent Agencies and Institutions
Governor
Other Elected Officials
Archives & History
Community & Junior Colleges
Education
Institutions of Higher Learning
Health
Mental Health
Employment Security Commission
Forestry Commission
Workers' Compensation Commission
Educational Television Authority
Central Data Processing Authority
State Personnel Board
Public Employees' Retirement System
State Tax Commission
Regulatory Agencies
Other Boards & Commissions
Finance & Administration
Environmental Quality
Economic & Community Development
Medicaid
Emergency Management
Public Safety
Banking & Consumer Finance
Military - MS National Guard
Corrections
State Aid Road Construction
Human Services
Wildlife, Fisheries & Parks
State Auditor
Secretary of State
State Treasurer
Lieutenant Governor
Attorney General
Commissioner of Agriculture
Public Service Commissioners
State Highway Commissioners
Commissioner of Insurance

MISSISSIPPI WORKPLACE LITERACY PROGRAMS:

A working partnership between government, business and education.

Mississippi First in Basic Skills Tax Credit

In 1989, Mississippi became the first state to legislate an income tax credit to businesses that set up workplace training programs in basic skills. The Basic Skills Income Tax Credit allows 25 percent of training expenses as a tax credit against state income taxes for employers who provide basic skills training and retraining for their employees.

Basic skills training is defined by state law as training that enhances reading, writing or math skills up to the 12th grade level. To qualify for the tax credit, employers must provide job-related training that begins with a literacy task analysis and includes a specific job-related curriculum. The training may be in-house programs or partnerships between employers and adult education providers.

Baldor Electric Co. of Columbus and Peavey Electronics Corp. of Meridian are two Mississippi businesses that have taken advantage of the State's Assistance for Workplace Training Program. Both Baldor and Peavey have established advanced workplace literacy programs that have resulted in increased productivity, increased opportunities for their employees and an internationally competitive work force.

Broadening Horizons with Baldor

Baldor Electric's workplace literacy project exemplifies a commitment by company management to job-related basic skills training. Baldor's dedication to its employees is creating an internationally competitive work force that is a mutually beneficial investment in its future.

Baldor Electric is a manufacturer of industrial motors. Often praised in its industry for the quality of its products, Baldor discovered the deficiencies in its own work force when it began a high-tech "flexible-flow" manufacturing system, which relies on workers to produce highly individualized products at fast speeds.

The implementation of a progressive workplace training program was Baldor's direct response to these deficiencies found in its work force. This exceptional training program was made possible by a vast provision of time and money by Baldor and in the initial startup of the program through a national Workplace Literacy Grant awarded to the Mississippi State Department of Education by the U.S. Department of Education.

The Workplace Literacy program at Baldor attempts to pinpoint the most crucial and relevant areas where employees need upgrading of job-related basic skills. Baldor offers the workplace literacy training to employees during company time. Baldor's Continuing Education Department has a two-fold mission: to use education as a tool to produce quality motors and to create a work force which is both self-directed and team-conscious.

The Workplace Literacy Program is designed for employees to have opportunities for "hands-on" training related directly to what they do on the job.

Company officials state its work force literacy effort is an investment in the future of the company and its employees. Baldor's program is an effort to work together as a team to make the company a world-class electric motor manufacturer that will continue to compete successfully in a global marketplace.

continued on page 20

Financial Section

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STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR

PETE JOHNSON
STATE AUDITOR

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INDEPENDENT AUDITOR'S REPORT

The Governor, Members of the Legislature
and Citizens of the State of Mississippi

We have audited the accompanying general purpose financial statements of the State of Mississippi as of and for the year ended June 30, 1990, as listed in the table of contents. The general purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Mississippi as of June 30, 1990, and the results of its operations and its cash flows of its proprietary fund types and its nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and related schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Mississippi. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The statistical and economic data listed in the table of contents were not audited by us, and accordingly, we do not express an opinion thereon.

Pete Johnson
PETE JOHNSON
State Auditor

Ramona Hill
RAMONA HILL, CPA
Director, Department of Audit

Jackson, Mississippi
December 21, 1990

Progressing with Peavey

Utilizing the Job Skills Education Program (JSEP), a progressive workplace skills training program, Peavey Electronics, in partnership with the Mississippi Governor's Office, Meridian Community College and the National Alliance of Business, is creating an internationally competitive work force. JSEP's results have been far reaching in not only the workplace, but also in the community of Meridian, across the state of Mississippi and throughout the nation. Skill improvements, including learning to learn, have so impressed Peavey management that JSEP has been endorsed as the basic skills transfer for Peavey Electronics, a company that manufactures electronic musical equipment, amplifiers, guitars, speakers and keyboards and exports to 102 countries.

The JSEP program was developed for the U.S. Department of Defense and was "civilianized" under a federal grant. It is a computer-based training program that is user-friendly and has been well received by Peavey employees. The Peavey project is an excellent example of technology transfer as an economic development tool.

With Peavey's rapid growth has come the need to focus on a training vehicle to allow current workers to prepare themselves for the future changes in their work. This unique workplace literacy program enables the company to train its work force in basic skills that transfer to the workplace.

JSEP is specifically designed to facilitate competency in job-related skills and train employees in new skills as jobs change. Job prescriptions are devised by matching the job tasks to the JSEP lessons which address the literacy skills needed to perform each task. This computerized job-specific instruction trains employees in jobs for which they aspire as well as current jobs.

Current JSEP training programs in place at Peavey include a tuition-refund program for employees, pre-employment training for potential new hires and customized training for various needs of the company's work force. JSEP results have included increased productivity, improved product quality, increased employee self-esteem and upgraded employee basic skills.

The JSEP basic skills training program is important to the future technological survival of Peavey, and for the company to remain internationally competitive, according to company officials.

The application of JSEP to other workplace literacy efforts is significant because this project was a national test site funded, in part, by the National Alliance of Business. The project results indicate the transferability of JSEP to the private sector.

continued on page 66

General Purpose Financial Statements

All Fund Types and Account Groups

Combined Balance Sheet
June 30, 1990

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets:				
Cash and cash equivalents	$ 378,603,305	$ 63,312,850	$ 9,979,635	$ 9,265,524
Amount on deposit with U.S. Treasury				
Investments	172,187,531	13,447,552	115,993,101	77,292,990
Receivables, net	221,786,221	887,222	392,329	
Due from other governments	125,309,904	23,451,269		149,397
Interfund receivables	8,370,465	6,148,124	2,551,114	677,226
Inventories	167,861,378	1,171,798		
Prepaid expenses				
Loans and notes receivable	44,839,689	1,735,497	51,425,000	
Loans to other funds	45,623			
Restricted assets				
Property, plant and equipment, net of depreciation where applicable				
Deferred charges and other assets				
Amount available, designated for debt service				
Amount to be provided from future collections of long-term loans				
Amounts to be provided for retirement of:				
General obligation bonds				
Limited obligation bonds				
Other obligations				
Total Assets, Amounts Available and Amounts to be Provided for Retirement of Long-Term Obligations	$ 1,119,004,116	$ 110,154,312	$ 180,341,179	$ 87,385,137
Liabilities:				
Warrants payable	$ 84,625,826	$ 12,009,880	$ 3,380	$ 388,739
Accounts payable and accruals	159,807,065	17,971,554	6,167	5,501,186
Income tax refunds payable	64,149,145			
Due to other governments	72,404,790	1,561,187		
Interfund payables	18,391,799	6,417,862	248,005	4,756
Amounts held in custody for others				
Obligations under reverse repurchase agreements				
Deferred revenues	154,874,663	12,067,625	8,412,939	
Liabilities payable from restricted assets				
Loans and notes payable				
Loans from other funds	925,720	104,970		
General obligation bonds and notes payable				
Limited obligation bonds payable				
Revenue bonds and notes payable				
Other obligations				
Total Liabilities	555,179,008	50,133,078	8,670,491	5,894,681
Fund Equity and Other Credits:				
Investment in fixed assets				
Contributed capital				
Retained earnings:				
Reserved for bond retirement				
Unreserved				
Fund balances:				
Reserved for:				
Encumbrances	12,834,505	3,820,257		
Inventories	33,264,502	1,171,798		
Long-term portion of loans and notes receivable	43,652,793	1,346,594	51,425,000	
Pension benefits				
Other specific purposes				
Unreserved:				
Designated for debt service	9,062,346		120,245,688	
Designated for road and highway construction	235,789,221			
Designated for future capital projects				81,490,456
Designated for other specific purposes	116,299,468	417,527		
Undesignated	112,922,273	53,265,058		
Total Fund Equity and Other Credits	563,825,108	60,021,234	171,670,688	81,490,456
Total Liabilities and Fund Equity and Other Credits	$ 1,119,004,116	$ 110,154,312	$ 180,341,179	$ 87,385,137

The accompanying notes to the financial statements are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)	
Enterprise	Internal Service	Trust and Agency	University	General Fixed Assets	General Long-term Obligations	June 30, 1990	June 30, 1989
$ 24,711,598	$ 6,034,437	$ 39,715,172	$ 133,989,005	$	$	$ 665,611,526	$ 889,901,845
		379,465,101				379,465,101	374,287,874
292,078,911		4,546,732,494	65,009,838			5,282,742,417	4,603,650,355
15,780,166	13,550	152,811,986	40,980,171			432,651,645	434,835,029
30,204,700	4,688	738,938	30,005,800			209,864,696	163,141,755
233,885	1,940,030	186,932,323	25,479,907			232,333,074	206,546,105
3,904,475		196,575	12,958,643			186,092,869	157,957,077
41,989			7,072,830			7,114,819	7,244,286
495,696,103			50,733,273			644,429,562	676,069,024
		1,029,440				1,075,063	1,115,268
100,559						100,559	102,045
30,975,171	8,424,416	4,883,890	950,760,256	906,014,337		1,901,058,070	1,776,678,456
11,601,240			3,947,731			15,548,971	13,235,565
					129,308,034	129,308,034	113,347,785
					92,287,171	92,287,171	80,821,389
					283,907,659	283,907,659	231,050,206
					78,554,898	78,554,898	98,418,900
					52,711,029	52,711,029	53,461,400
$ 905,328,797	$ 16,417,121	$ 5,312,505,919	$ 1,320,937,454	$ 906,014,337	$ 636,768,791	$ 10,594,857,163	$ 9,881,864,364
$ 715,050	$ 1,258,906	$ 748,997	$ 12,834,527	$	$	$ 112,585,305	$ 105,778,068
24,842,415	997,677	65,440,741	58,534,057			333,100,862	303,398,700
						64,149,145	60,000,000
575,069	375	1,709,633				76,251,054	111,960,538
330,246	66,412	185,220,407	21,653,587			232,333,074	206,546,105
		132,916,853	2,182,564			135,099,417	127,254,137
		244,442,500				244,442,500	195,374,417
1,029,028		9,952	23,839,527			200,233,734	156,574,515
61,215						61,215	56,163
							909,500
44,373						1,075,063	1,115,268
14,939,000			7,867,000		388,520,800	411,326,800	351,800,400
					195,536,962	195,536,962	199,853,880
694,901,633			40,941,082			735,842,715	791,247,217
205,124	3,512,712	103,420	9,564,831		52,711,029	66,097,116	67,173,995
737,643,153	5,836,082	630,592,503	177,417,175		636,768,791	2,808,134,962	2,679,042,903
			898,204,780	906,014,337		1,804,219,117	1,689,180,764
53,176,192						53,176,192	50,006,192
39,344						39,344	45,882
114,470,108	10,581,039					125,051,147	116,400,427
			10,767,249			27,422,011	29,236,460
						34,436,300	35,593,292
		1,029,440				97,453,827	86,089,290
		4,238,483,332				4,238,483,332	3,771,238,808
		432,613,504	102,280,211			534,893,715	529,928,659
			17,698,850			147,006,884	130,069,966
						235,789,221	204,173,297
			34,661,259			116,151,715	88,404,575
		8,648,488	2,762,277			128,127,760	120,808,807
		1,138,652	77,145,653			244,471,636	351,645,042
167,685,644	10,581,039	4,681,913,416	1,143,520,279	906,014,337		7,786,722,201	7,202,821,461
$ 905,328,797	$ 16,417,121	$ 5,312,505,919	$ 1,320,937,454	$ 906,014,337	$ 636,768,791	$ 10,594,857,163	$ 9,881,864,364

All Governmental Fund Types and Expendable Trust Funds

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1990

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	$ 2,303,707,781	$ 177,878	$	$
Licenses, fees and permits	42,050,482	30,783,164		
Employer premiums				
Federal government	1,423,387,299	237,888,187		1,034,180
Interest	57,660,504	2,907,638	6,886,964	
Charges for services	156,613,885	2,799,521		
Rentals	5,224,365	357,474	575,324	
Court assessments		3,545,078		
Other	43,954,851	5,664,132	149,626	128,392
Total Revenues	4,032,599,167	284,123,072	7,611,914	1,162,572
Expenditures:				
Current:				
General government	492,869,911	11,470,826		
Education	1,263,252,801	412,819		
Health and social services	1,374,336,860	120,660,511		
Law, justice and public safety	157,237,588	23,968,981		
Recreation and resources development	70,969,736	76,803,446		
Regulation of business and professions		14,854,617		
Transportation	378,542,072	10,833,347		
Loss on trade of investments				
Debt service:				
Principal	11,431,117	65,347	29,723,000	
Interest and other fiscal charges	15,558,765	4,981	21,071,501	165,446
Capital outlay				31,497,185
Total Expenditures	3,764,198,850	259,074,875	50,794,501	31,662,631
Excess of Revenues over (under) Expenditures	268,400,317	25,048,197	(43,182,587)	(30,500,059)
Other Financing Sources (Uses):				
Proceeds from general obligation bond and note issues	24,490,000			68,506,336
Proceeds of capital leases	614,116			
Operating transfers in	49,838,973	45,839,800	49,359,302	5,292,007
Operating transfers out	(390,682,311)	(74,798,249)	(2,605,955)	(24,743,420)
Net Other Financing Sources (Uses)	(315,739,222)	(28,958,449)	46,753,347	49,054,923
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(47,338,905)	(3,910,252)	3,570,760	18,554,864
Fund Balances July 1	608,579,060	63,835,386	168,099,928	62,935,592
Residual Equity Transfer In	5,648,692	520,047		
Residual Equity Transfer Out	(1,802,236)	(528,458)		
Increase (Decrease) in Reserve for Inventories	(1,261,503)	104,511		
Fund Balances June 30	$ 563,825,108	$ 60,021,234	$ 171,670,688	$ 81,490,456

The accompanying notes to the financial statements are an integral part of this statement.

Fiduciary Fund Type	Totals for the Year Ended (Memorandum Only)	
Expendable Trust	June 30, 1990	June 30, 1989
$ 64,627,420	$ 2,368,513,079	$ 2,309,292,504
	72,833,646	70,253,943
68,415,249	68,415,249	60,944,494
3,348,260	1,665,657,926	1,498,590,809
35,907,414	103,362,520	97,091,244
	159,413,406	151,958,748
	6,157,163	6,002,095
	3,545,078	1,801,346
761,228	50,658,229	35,664,935
173,059,571	4,498,556,296	4,231,600,118
79,083,617	583,424,354	647,073,226
	1,263,665,620	1,172,932,212
97,327,784	1,592,325,155	1,398,744,643
	181,206,569	156,892,586
	147,773,182	86,743,624
	14,854,617	13,462,811
	389,375,419	381,578,439
		6,044,047
	41,219,464	44,484,214
	36,800,693	34,078,923
	31,497,185	34,274,787
176,411,401	4,282,142,258	3,976,309,512
(3,351,830)	216,414,038	255,290,606
	92,996,336	62,546,417
	614,116	4,622,105
	150,330,082	151,221,498
	(492,829,935)	(475,087,622)
	(248,889,401)	(256,697,602)
(3,351,830)	(32,475,363)	(1,406,996)
431,939,868	1,335,389,834	1,332,930,375
	6,168,739	
(5,500,000)	(7,830,694)	
	(1,156,992)	3,866,455
$ 423,088,038	$ 1,300,095,524	$ 1,335,389,834

All Budgetary Funds

Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis)
For the Year Ended June 30, 1990

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Sales tax	$ 805,000,000	$ 806,722,395	$ 1,722,395
Individual income tax	438,000,000	429,631,628	(8,368,372)
Corporate income and franchise taxes	185,400,000	164,785,809	(20,614,191)
Use and wholesale compensating taxes	98,500,000	97,996,726	(503,274)
Tobacco, beer and wine taxes	76,000,000	75,633,088	(366,912)
Insurance tax	78,250,000	80,091,049	1,841,049
Oil and gas severance taxes	31,250,000	31,033,374	(216,626)
Alcoholic Beverage Control excise and privilege taxes and net profit on sale of alcoholic beverages	32,000,000	32,175,235	175,235
Inheritance tax	11,400,000	10,710,717	(689,283)
Other taxes	10,050,000	11,263,599	1,213,599
Interest	30,000,000	29,527,878	(472,122)
Auto privilege, tag and title fees	9,850,000	10,858,837	1,008,837
Highway Safety Patrol fees	14,862,000	14,812,736	(49,264)
Other fees and services	13,000,000	12,360,727	(639,273)
Miscellaneous	3,100,000	3,685,126	585,126
Special Fund revenues			
Total Revenues	1,836,662,000	1,811,288,924	(25,373,076)
Expenditures by Major Budgetary Function:			
Legislative	13,971,843	12,845,127	1,126,716
Judicial and justice	25,735,442	25,600,121	135,321
Executive and administrative	2,932,706	2,873,990	58,716
Fiscal affairs	50,770,374	50,715,079	55,295
Public education	898,359,585	897,016,718	1,342,867
Higher education	340,195,000	340,188,855	6,145
Public health	20,331,604	20,329,296	2,308
Hospitals and hospital schools	85,374,894	85,000,123	374,771
Agriculture, commerce and economic development	69,320,359	69,203,031	117,328
Conservation and recreation	35,844,007	35,049,548	794,459
Insurance and banking	1,734,899	1,690,067	44,832
Corrections	71,592,581	71,193,106	399,475
Interdepartmental service	2,096,078	2,020,732	75,346
Social welfare	187,471,853	185,079,485	2,392,368
Public protection and veterans assistance	42,963,644	42,112,889	850,755
Local assistance	66,950,000	66,176,375	773,625
Motor vehicle and other regulatory agencies	931,300	931,287	13
Miscellaneous	4,559,119	4,559,046	73
Public works	1,545,651	1,545,651	
Debt service	17,212,215	15,040,299	2,171,916
Total Expenditures	1,939,893,154	1,929,170,825	10,722,329
Excess of Revenues over (under) Expenditures	(103,231,154)	(117,881,901)	(14,650,747)
Other Financing Sources (Uses):			
Operating transfers in (out)	24,338,000	38,791,831	14,453,831
Investments sold, net			
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(78,893,154)	(79,090,070)	(196,916)
Budgetary Fund Balances July 1	84,031,221	84,031,221	
Reclassification Between Budgetary/Nonbudgetary Funds - Net			
Budgetary Fund Balances July 1 as Reclassified	84,031,221	84,031,221	
Budgetary Fund Balances June 30	$ 5,138,067	$ 4,941,151	$ (196,916)

The accompanying notes to the financial statements are an integral part of this statement.

Special Fund			Totals for the Year Ended (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
$	$	$	$ 805,000,000	$ 806,722,395	$ 1,722,395
			438,000,000	429,631,628	(8,368,372)
			185,400,000	164,785,809	(20,614,191)
			98,500,000	97,996,726	(503,274)
			76,000,000	75,633,088	(366,912)
			78,250,000	80,091,049	1,841,049
			31,250,000	31,033,374	(216,626)
			32,000,000	32,175,235	175,235
			11,400,000	10,710,717	(689,283)
			10,050,000	11,263,599	1,213,599
			30,000,000	29,527,878	(472,122)
			9,850,000	10,858,837	1,008,837
			14,862,000	14,812,736	(49,264)
			13,000,000	12,360,727	(639,273)
			3,100,000	3,685,126	585,126
2,241,905,976	1,870,987,593	(370,918,383)	2,241,905,976	1,870,987,593	(370,918,383)
2,241,905,976	1,870,987,593	(370,918,383)	4,078,567,976	3,682,276,517	(396,291,459)
			13,971,843	12,845,127	1,126,716
4,102,345	3,231,895	870,450	29,837,787	28,832,016	1,005,771
4,827,175	4,126,615	700,560	7,759,881	7,000,605	759,276
14,781,467	13,073,131	1,708,336	65,551,841	63,788,210	1,763,631
294,590,261	275,399,735	19,190,526	1,192,949,846	1,172,416,453	20,533,393
5,085,699	2,703,241	2,382,458	345,280,699	342,892,096	2,388,603
102,307,112	95,596,039	6,711,073	122,638,716	115,925,335	6,713,381
74,716,784	68,221,614	6,495,170	160,091,678	153,221,737	6,869,941
117,496,240	101,165,187	16,331,053	186,816,599	170,368,218	16,448,381
75,565,307	47,156,850	28,408,457	111,409,314	82,206,398	29,202,916
11,827,404	10,818,398	1,009,006	13,562,303	12,508,465	1,053,838
5,373,503	4,212,693	1,160,810	76,966,084	75,405,799	1,560,285
22,710,190	14,008,874	8,701,316	24,806,268	16,029,606	8,776,662
857,059,179	764,742,680	92,316,499	1,044,531,032	949,822,165	94,708,867
87,181,176	42,623,307	44,557,869	130,144,820	84,736,196	45,408,624
			66,950,000	66,176,375	773,625
9,750,977	9,082,692	668,285	10,682,277	10,013,979	668,298
2,265,158	1,536,503	728,655	6,824,277	6,095,549	728,728
527,927,999	377,667,348	150,260,651	529,473,650	379,212,999	150,260,651
			17,212,215	15,040,299	2,171,916
2,217,567,976	1,835,366,802	382,201,174	4,157,461,130	3,764,537,627	392,923,503
24,338,000	35,620,791	11,282,791	(78,893,154)	(82,261,110)	(3,367,956)
(24,338,000)	(38,791,831)	(14,453,831)			
	1,698,696	1,698,696		1,698,696	1,698,696
	(1,472,344)	(1,472,344)	(78,893,154)	(80,562,414)	(1,669,260)
	116,333,736	116,333,736	84,031,221	200,364,957	116,333,736
	(6,477,285)	(6,477,285)		(6,477,285)	(6,477,285)
	109,856,451	109,856,451	84,031,221	193,887,672	109,856,451
$ 0	$ 108,384,107	$ 108,384,107	$ 5,138,067	$ 113,325,258	$ 108,187,191

All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
For the Year Ended June 30, 1990

	Proprietary Fund Types		Fiduciary Fund Types		Totals for the Year Ended (Memorandum Only)	
	Enterprise	Internal Service	Nonexpendable Trust	Pension Trust	June 30, 1990	June 30, 1989
Operating Revenues:						
Charges for sales and services	$ 31,958,108	$ 15,793,934	$	$	$ 47,752,042	$ 44,293,178
Contributions				401,944,678	401,944,678	350,309,421
Interest and other investment income, net	49,760,310		1,811,523	358,308,868	409,880,701	380,195,429
Rentals	320,041				320,041	365,905
Fees	1,194,059				1,194,059	890,389
Other	1,002,291	35,478	321,227	284,596	1,643,592	3,114,406
Total Operating Revenues	84,234,809	15,829,412	2,132,750	760,538,142	862,735,113	779,168,728
Operating Expenses:						
Costs of sales and services	15,579,342				15,579,342	15,064,895
Benefits				232,765,103	232,765,103	205,612,454
Refunds				37,544,557	37,544,557	31,889,316
Administrative expenses	24,900,437	12,270,541	111	3,713,386	40,884,475	38,713,901
Interest	63,317,121			18,951,557	82,268,678	104,777,092
Depreciation and amortization	3,343,686	2,542,229		319,015	6,204,930	5,337,516
Other	221,295	32,578	4,399		258,272	427,300
Total Operating Expenses	107,361,881	14,845,348	4,510	293,293,618	415,505,357	401,822,474
Operating Income (Loss)	(23,127,072)	984,064	2,128,240	467,244,524	447,229,756	377,346,254
Nonoperating Revenues	28,154,438				28,154,438	29,302,557
Nonoperating Expenses	1,156,996	1,243,183			2,400,179	2,095,401
Income (Loss) Before Operating Transfers	3,870,370	(259,119)	2,128,240	467,244,524	472,984,015	404,553,410
Operating Transfers In	6,446,346	2,007,816		15,211,973	23,666,135	21,222,080
Operating Transfers Out	(985,064)	(2,287,475)	(2,030,683)	(15,211,973)	(20,515,195)	(20,922,091)
Net Income (Loss)	9,331,652	(538,778)	97,557	467,244,524	476,134,955	404,853,399
Retained Earnings/Fund Balances July 1	105,326,492	11,119,817	20,244,489	3,771,238,808	3,907,929,606	3,503,076,207
Residual Equity Transfer Out	(148,692)				(148,692)	
Retained Earnings/Fund Balances June 30	$ 114,509,452	$ 10,581,039	$ 20,342,046	$ 4,238,483,332	$ 4,383,915,869	$ 3,907,929,606

The accompanying notes to the financial statements are an integral part of this statement.

All Proprietary Fund Types and Nonexpendable Trust Funds

Combined Statement of Cash Flows
For the Year Ended June 30, 1990

	Proprietary Fund Types		Fiduciary Fund Type	Totals for the Year Ended (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	June 30, 1990
Cash Flows from Operating Activities:				
Cash received from customers	$ 33,743,881	$ 15,181,435	$	$ 48,925,316
Cash payments to suppliers for goods and services	(29,571,623)	(5,884,225)	(111)	(35,455,959)
Cash payments to employees for services	(11,937,949)	(5,667,405)		(17,605,354)
Other operating revenues	979,011	35,278		1,014,289
Other operating expenses	(597)			(597)
Principal and interest received on program loans	114,410,949			114,410,949
Issuance of program loans	(16,762,559)			(16,762,559)
Scholarships paid			(4,399)	(4,399)
Net Cash Provided by (Used for) Operating Activities	90,861,113	3,665,083	(4,510)	94,521,686
Cash Flows from Noncapital Financing Activities:				
Operating transfers in	6,446,346	2,007,816		8,454,162
Operating transfers out	(864,529)	(2,287,475)	(2,030,683)	(5,182,687)
Residual equity transfer out	(148,692)			(148,692)
Operating grants received	2,151,737			2,151,737
Proceeds from sale of bonds	117,395,000			117,395,000
Principal paid on bonds	(187,044,172)			(187,044,172)
Interest paid on bonds	(58,552,929)			(58,552,929)
Bond issuance costs	(3,952,124)			(3,952,124)
Net Cash Used for Noncapital Financing Activities	(124,569,363)	(279,659)	(2,030,683)	(126,879,705)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(736,228)	(2,217,235)		(2,953,463)
Principal paid on bonds and equipment contracts	(1,638,192)	(1,386,344)		(3,024,536)
Interest paid on bonds and equipment contracts	(1,159,885)	(261,765)		(1,421,650)
Net Cash Used for Capital and Related Financing Activities	(3,534,305)	(3,865,344)		(7,399,649)
Cash Flows from Investing Activities:				
Sale of investments, net	13,320,372		1,863,072	15,183,444
Interest on investments	24,514,838		1,953,335	26,468,173
Net Cash Provided by Investing Activities	37,835,210		3,816,407	41,651,617
Net Increase (Decrease) in Cash and Cash Equivalents	592,655	(479,920)	1,781,214	1,893,949
Cash and Cash Equivalents July 1	24,118,943	6,514,357	152,141	30,785,441
Cash and Cash Equivalents June 30	$ 24,711,598	$ 6,034,437	$ 1,933,355	$ 32,679,390
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating income (loss)	$ (23,127,072)	$ 984,064	$ 2,128,240	$ (20,014,768)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest	63,317,121		(1,953,335)	61,363,786
Depreciation	2,066,812	2,542,229		4,609,041
Amortization of bond issuance costs	1,276,874			1,276,874
Other		(200)		(200)
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable, net	(519,134)	(1,401)	1,499	(519,036)
(Increase) decrease in interest receivable	1,443,889		(180,914)	1,262,975
Decrease in due from other governments	701,825	5,165		706,990
Increase in interfund receivables	(230,368)	(616,263)		(846,631)
Increase in inventories	(331,523)			(331,523)
Decrease in prepaid expenses	44,692	4,485		49,177
Decrease in loans and notes receivable	44,709,250			44,709,250
Decrease in other assets	59,559			59,559
Increase in warrants payable	186,356	572,710		759,066
Increase in accounts payable and accruals	132,257	211,796		344,053
Increase in due to other governments	2,928	375		3,303
Increase (decrease) in interfund payables	520,440	(36,492)		483,948
Increase (decrease) in deferred revenue	753,470	(1,385)		752,085
Decrease in other liabilities	(146,263)			(146,263)
Total Adjustments	113,988,185	2,681,019	(2,132,750)	114,536,454
Net Cash Provided by (Used for) Operating Activities	$ 90,861,113	$ 3,665,083	$ (4,510)	$ 94,521,686

Noncash Capital and Related Financing Activities:

The enterprise funds received $44,291 of donated fixed assets and $3,170,000 of contributed capital through the assumption of $2,340,000 general obligation bonds by the General Fund and the assumption of $830,000 loan obligations by other governments. The internal service funds entered into capital leases totaling $5,620,778. A downpayment of $1,000,000, principal payments of $1,167,798, and interest payments of $245,771 were made on the leases.

The accompanying notes to the financial statements are an integral part of this statement.

University Funds

Combined Statement of Revenues, Expenditures, Interfund Transfers, Operating Transfers, and Changes in Fund Balances
For the Year Ended June 30, 1990

	Current Funds			
	Unrestricted	Restricted	Loan	Endowment and Similar
Revenues and Other Additions:				
Tuition and fees	$ 116,266,570	$	$	$
Federal appropriations, grants and contracts	18,938,245	101,324,558	2,426,905	
State grants and contracts	1.549,346	10,500,509		
Local appropriations, grants and contracts	3,305,229	191,985	93,285	
Private gifts, grants and contracts	5,945,334	20,308,311	312,734	1,020,618
Endowment income	78,376	544,082	5,375	78,562
Investment income	8,578,951	47,326	1,064,679	34,702
Interest on loans receivable			1,183,012	
Proceeds from bonds				
Additions to plant facilities				
Retirement of indebtedness				
Sales and services of educational activities	21,905,449	281,512	1,928,321	
Sales and services of auxiliary activities	100,891,824			
Sales and services of hospital	78,462,371			
Other	13,409,418	1,507,322	395,867	430,223
Total Revenues and Other Additions	369,331,113	134,705,605	7,410,178	1,564,105
Expenditures and Other Deductions:				
Educational and general:				
Instruction	201,177,242	12,935,698		
Research	47,282,855	48,331,367		
Public service	34,911,195	11,370,953		
Academic support	40,183,325	7,077,688		
Student services	20,206,906	1,618,829		
Institutional support	51,435,709	5,749,885		
Operation and maintenance of plant	46,238,407	166,937		
Scholarships and fellowships	17,665,323	45,639,183	5,763,666	
Auxiliary enterprises	91,128,001	437,789		
Hospital	80,802,779			
Independent operations	1,448,737			
Administrative and indirect costs recovered		7,744,900	91,075	3,460
Refunds to grantors		331,971	74,791	
Loan cancellations and write-offs			1,699,981	
Collection costs			360,857	
Expended for plant facilities				
Repairs and maintenance				
Plant assets sold or retired				
Long-term debt incurred				
Retirement of indebtedness				
Interest on indebtedness				
Change in provision for uncollectible accounts	4,243,901		192,537	
Other	96,178	355,216	4,035	5,498
Total Expenditures and Other Deductions	636,820,558	141,760,416	8,186,942	8,958
University Funds Interfund Transfers In (Out):				
Mandatory:				
Principal and interest	(8,138,722)	(187,641)		
Restricted fund matching	(2,431,541)	2,422,495	9,046	
Loan fund matching	(253,917)	1,062	252,855	
Renewals and replacements	(312,479)			
Nonmandatory:				
Auxiliary support	75,464	(75,464)		
Building projects	(14,299,987)	(421,587)		300,000
Other	(8,510,485)	109,891	(20,121)	652,704
Total University Funds Interfund Transfers In (Out)	(33,871,667)	1,848,756	241,780	952,704
Operating Transfers In	311,948,934	1,670,773	2,183,709	
Net Increase (Decrease) in Fund Balances	10,587,822	(3,535,282)	1,648,725	2,507,851
Fund Balances July 1	82,067,408	22,508,475	59,598,870	18,141,571
Residual Equity Transfers In	1,810,647			
Fund Balances June 30	$ 94,465,877	$ 18,973,193	$ 61,247,595	$ 20,649,422

The accompanying notes to the financial statements are an integral part of this statement.

Plant Funds				Totals for the Year Ended	
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	June 30, 1990	June 30, 1989
$ 139,024	$	$ 341,745	$	$ 116,747,339	$ 102,181,416
12,245,134		10,310		134,945,152	120,138,909
80,320				12,130,175	14,357,616
		135,000		3,725,499	4,612,629
3,237,536	130,954	248,610		31,204,097	26,773,499
6,996				713,391	386,083
848,140	282,002	611,200		11,467,000	9,326,970
				1,183,012	2,869,483
3,500,000				3,500,000	
			82,212,700	82,212,700	75,430,779
			7,062,361	7,062,361	7,383,325
3,500				24,118,782	23,192,002
				100,891,824	88,812,412
				78,462,371	73,770,132
2,935,077	127,474	76,882		18,882,263	22,127,702
22,995,727	540,430	1,423,747	89,275,061	627,245,966	571,362,957
				214,112,940	205,559,664
				95,614,222	85,974,128
				46,282,148	43,734,591
				47,261,013	45,295,626
				21,825,735	20,980,233
				57,185,594	54,144,293
				46,405,344	44,798,305
				69,068,172	61,037,178
				91,565,790	87,995,295
				80,802,779	75,336,801
				1,448,737	1,294,578
				7,839,435	6,272,668
				406,762	787,101
				1,699,981	689,337
				360,857	253,802
39,717,007	100,000			39,817,007	31,794,825
16,811,559	858,315			17,669,874	10,746,073
			9,374,740	9,374,740	13,143,585
			14,188,611	14,188,611	1,599,142
		7,062,361		7,062,361	7,383,325
		2,768,420		2,768,420	1,712,087
				4,436,438	1,897,729
	5,030	30,465		496,422	7,464,889
56,528,566	963,345	9,861,246	23,563,351	877,693,382	809,895,255
283,775	(90,000)	8,132,588			
	456,206	(143,727)			
13,713,275	708,299				
6,994,294	980,257	(206,540)			
20,991,344	2,054,762	7,782,321			
23,545,497				339,348,913	323,566,135
11,004,002	1,631,847	(655,178)	65,711,710	88,901,497	85,033,837
21,276,560	9,475,488	7,246,693	832,493,070	1,052,808,135	967,774,298
				1,810,647	
$ 32,280,562	$ 11,107,335	$ 6,591,515	$ 898,204,780	$ 1,143,520,279	$ 1,052,808,135

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Note 1 - Significant Accounting Policies

The significant accounting policies applicable to the State of Mississippi are described below.

A. **Basis of Presentation** - The accompanying financial statements of the State of Mississippi have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The financial statements of the university funds have been prepared in conformity with GAAP as prescribed by the National Association of College and University Business Officers (NACUBO) and the American Institute of Certified Public Accountants (AICPA).

B. **Financial Reporting Entity** - For GAAP financial reporting purposes the State of Mississippi reporting entity includes all fund types and account groups of the State's various commissions, departments, boards, elected officials, universities, and other organizational units (hereinafter referred to collectively as "agencies") over which the State's legislative and/or executive branches exercise oversight responsibility.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of oversight responsibility is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

Another criterion used in evaluating potential component units for inclusion in the State financial reporting entity is scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. The final criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

Based on the application of these criteria, the following organizations have been determined to be component units of the State reporting entity and are included in the accompanying financial statements:

- Allied Enterprises
- Mississippi Business Finance Corporation
- County health departments
- County welfare departments
- Mississippi Guaranteed Student Loan Agency
- Mississippi Hospital Equipment and Facilities Authority
- Mississippi Home Corporation
- Mississippi Industries for the Blind, Human Services
- Port Authority at Gulfport
- Public Employees' Retirement System of Mississippi
- University Press
- Yellow Creek Inland Port Authority

The fiscal year of the Mississippi Home Corporation ends on August 31. Since the financial statements of that component unit as of and for the year ended August 31, 1990 were not available when this report was prepared, its August 31, 1989 financial statements have been combined into the accompanying June 30, 1990 financial statements. In addition, the financial statements of the Mississippi Hospital Equipment and Facilities Authority have been combined as of its March 31, 1990 fiscal year end.

The following organizations have been determined not to be part of the reporting entity based on consideration of the manifestations of oversight, scope of public service, or special financing relationships criteria and are therefore excluded from the accompanying financial statements because the State does not have the ability to control or significantly influence the assets, operations or management of the respective entities:

- Coast Coliseum
- Drainage districts
- Levee boards
- Locally controlled two-year junior colleges
- Locally controlled vocational-technical schools
- Municipal and county ports and harbors
- Municipalities and counties
- Planning and development districts
- Regional airports
- Regional libraries
- Regional mental health centers
- School districts
- Soil and water conservation districts
- Waterway districts

C. **Fund Accounting** - The financial activities of the State are recorded in individual funds and account groups used to report financial position and results of operations. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in funds because they do not directly affect net expendable available financial resources. Account groups are presented for general fixed assets and general long-term obligations.

Funds are classified into four categories: governmental, proprietary, fiduciary and university. Each category is further divided into separate "fund types."

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for all or most of a government's general activities, including collection and disbursement of earmarked monies (special revenue funds), acquisition or construction of general fixed assets (capital projects funds), and servicing of general long-term debt (debt service funds). The General Fund is used to account for all general government activities not accounted for in some other fund. Governmental fund types include:

General - Transactions related to resources obtained and used for those services traditionally provided by a state government, which are not required to be accounted for in other funds, are accounted for in the General Fund. These services include, among others, general government, education (other than institutions of higher learning), health and social services, public safety, recreation and resources, and transportation. Certain resources obtained from federal grants and used to support general governmental activities are accounted for in the General Fund consistent with applicable legal requirements.

Special Revenue - Transactions related to resources obtained from specific revenue sources (other than for expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes are accounted for in special revenue funds. Special revenue funds account for, among others, certain federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose.

Debt Service - Transactions related to resources obtained and accumulated to pay interest and principal on general long-term obligations (other than capital leases and compensated absences) are generally accounted for in debt service funds.

Capital Projects - Transactions related to resources obtained and used for acquisition, construction or improvement of major capital facilities are accounted for in capital projects funds. Such resources are derived principally from proceeds of general obligation bond issues, federal grants and operating transfers from the General Fund.

PROPRIETARY FUND TYPES

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Proprietary fund types include:

Enterprise - Enterprise funds account for operations where the intent of the State is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic measurement of the results of operations is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service - Internal service funds account for the operations of State agencies which render services and provide goods to other State agencies or governmental units on a cost-reimbursement basis.

FIDUCIARY FUND TYPES

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent. Fiduciary fund types include:

Expendable Trust - Expendable trust funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of designated operations.

Nonexpendable Trust - Nonexpendable trust funds account for assets held by the State in a trustee capacity where only income derived from trust principal may be expended in the course of designated operations. Principal must be preserved intact.

Pension Trust - Pension trust funds account for transactions, assets, liabilities and net assets available for plan benefits of the State's public employee retirement systems.

Agency - Agency funds account for various taxes, deposits, and property collected or held by the State, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

UNIVERSITY FUNDS

University funds account for the operations of State universities in accordance with existing authoritative accounting and reporting principles applicable to universities. Accordingly, university funds are an aggregation of the following funds:

Current - Current funds account for resources that will be expended for operating purposes. These include unrestricted funds over which university governing boards retain full control in achieving institutional purposes and restricted funds which may be utilized only for purposes designated by a donor or other external organization.

Loan - Loan funds account for transactions of related resources obtained and used for loans to students, staff and faculty.

Endowment - Endowment funds account for resources held by the institutions that must be administered in accordance with trust agreements.

Plant - Plant funds account for resources available for acquisition, renewal and replacement of institutional properties, resources available to service debt incurred to acquire such properties, and the fixed assets acquired or constructed for use by the institutions.

Unexpended - This subgroup is used to account for the unexpended resources derived from various sources to finance the acquisition of university fixed assets and the associated liabilities.

Renewals and Replacements - The resources of this subgroup provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements to plant.

Retirement of Indebtedness - This subgroup is used to account for the accumulation of resources for interest and principal payments and other debt service charges, including contributions for sinking funds, relating to plant fund indebtedness.

Investment in Plant - Except for long-lived assets held as investments in endowment and similar funds and their associated liabilities, this subgroup includes all long-lived assets in the service of the institution and all construction in progress (unless carried in the Unexpended Plant Fund and Fund for Renewals and Replacements subgroup until completion of the project), as well as all associated liabilities.

Agency - Agency funds account for amounts held in custody for students, university-related organizations, and others.

ACCOUNT GROUPS

General Fixed Assets - The general fixed assets account group accounts for all fixed assets acquired or constructed for use by the State, other than those accounted for in the proprietary, fiduciary, and university funds.

General Long-Term Obligations - The general long-term obligations account group accounts for general obligation bonds, limited obligation bonds, compensated absences, and other long-term obligations not recorded in proprietary, fiduciary, and university funds.

D. **Basis of Accounting/Measurement Focus** - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus, as described below.

Governmental Fund Types and Expendable Trust and Agency Funds - All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when measurable and available to finance operations of the current fiscal year. Available means collected in the current year or soon enough after year end to liquidate liabilities existing at the end of the year. Significant revenue sources which are susceptible to accrual include sales taxes, individual income taxes, corporate income taxes and federal grants. Licenses, fees, permits and other miscellaneous revenues are recognized when received since they normally are measurable only at that time. Expenditures and related fund liabilities are recognized upon receipt of goods and services.

Modifications to the accrual basis of accounting include: principal and interest on long-term debt reflected in the general long-term obligations account group are recorded as fund liabilities when due; inventories of materials and supplies are recorded as expenditures at acquisition; obligations for employee personal leave and major medical leave are recorded as expenditures when paid.

Proprietary Fund Types and Nonexpendable and Pension Trust Funds - All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components for proprietary funds and fund balance for nonexpendable trust and pension trust funds. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The accrual basis of accounting is utilized by proprietary fund types, pension trust funds and nonexpendable trust funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

University Funds - The accounts of the university funds are reported using the accrual basis of accounting with the following exceptions: depreciation expense related to plant fund assets is not recorded and revenues and expenditures of an academic term encompassing more than one fiscal year are reported solely in the fiscal year in which the program is predominantly conducted.

E. **Budgetary Accounting** - The State's annual budget is prepared principally on the cash basis utilizing encumbrance accounting. Encumbrances represent executed but unperformed purchase orders. In the accompanying financial statements, encumbrances are recorded as expenditures for budgetary purposes if presented for payment in the 60-day lapse period and as reservations of fund balance for GAAP purposes. Since the budgetary basis differs from generally accepted accounting principles, budget and actual amounts in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds are presented on the budgetary basis. A reconciliation of the excess of revenues over (under) expenditures and other financing sources (uses) on a budgetary basis at June 30, 1990 to the excess of revenues over (under) expenditures/expenses and other financing sources (uses) presented in conformity with generally accepted accounting principles is set forth in Note 2.

Unexpended appropriations at June 30 are available for subsequent expenditure only to the extent that encumbrances have been established and they are presented for payment during the succeeding 60-day lapse period. Lapse period expenditures are reported as expenditures in the current year budgetary presentation.

F. **Cash and Cash Equivalents** - Cash and cash equivalents include bank accounts, petty cash, and certificates of deposit with a maturity date within 90 days of the date acquired by the State. Collateral, as further discussed in Note 4, is pledged by the various banks and securities dealers to guarantee State funds.

G. **Investments** - Investments are generally recorded at cost. Income from short-term interest bearing securities is recognized as earned. Gains and losses on bond sales are recognized under the completed transaction method. The cost of common stock sold is determined using the average cost method. Investments of the Government Employees' Deferred Compensation Plan Fund (an agency fund) are stated at market except for life insurance contracts which are stated at cash surrender value.

H. **Reverse Repurchase Agreements** - The Public Employees' Retirement System of Mississippi is authorized to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The assets and liabilities arising from reverse repurchase agreements are reflected separately under the captions Investments and Obligations under Reverse Repurchase Agreements.

I. **Receivables** - Receivables in the governmental and fiduciary funds primarily consist of interest and federal revenues, both recorded when earned, taxes that are susceptible to accrual - mainly sales and income taxes, and amounts due from other governments. Proprietary fund receivables occur in the ordinary course of business. Trust and agency fund receivables include amounts collectible for investments sold and for accrued interest income as well as contributions payable to pension trust funds which are recognized as revenue in the period in which employee services are performed. University fund receivables include monies due from the federal government, tuition fees, and accrued interest income. Receivables are reported net of allowances for uncollectible accounts where applicable.

J. **Interfund Transactions** - The State has the following types of interfund transactions:

Quasi-external Transactions - Charges for services rendered by one fund to another that are treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Reimbursements - Reimbursements of expenditures or expenses made by one fund for another are recorded as expenditures or expenses in the reimbursing fund and as a reduction of expenditures or expenses in the reimbursed fund.

Residual Equity Transfers - Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from fund equity.

Operating Transfers - Legally authorized transfers are reported as operating transfers. Operating transfers from the General Fund are transfers of appropriated or diverted tax revenues.

The composition of the State's interfund receivables and payables is presented in Note 6.

K. **Inventories** - Inventories of supplies and materials are stated at cost, which approximates market, generally using the first-in, first-out method. Cost of inventories held for use in constructing highways is determined by weighted average methods. Governmental fund type inventories of supplies and materials are recorded as expenditures at acquisition. Inventories of food stamps are recorded at their face value, with a corresponding deferred revenue. Food stamp revenues and expenditures are recorded simultaneously at the time of distribution.

L. **Property, Plant and Equipment** - General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are stated at cost. Donated assets are valued at market value at the time of donation. The costs of normal maintenance and repairs that do not add to the value of assets or materially extend their respective lives are not capitalized; however, improvements are capitalized. Interest expenditures are not capitalized on general fixed assets.

Certain public domain (infrastructure) general fixed assets, principally highways, bridges and rights-of-way, are not capitalized, as these assets are immovable and of value only to the government. Generally, university fund infrastructure assets such as streets, sidewalks, lighting systems and curbs are capitalized. Depreciation is not provided on general fixed assets or on university fund fixed assets.

Proprietary and fiduciary fund type property, plant and equipment, excluding land, are depreciated on the straight-line method over the estimated service lives of the respective assets ranging from 20 to 50 years for buildings and improvements and 3 to 10 years for machinery and equipment.

M. **Accumulated Unpaid Personal Leave and Major Medical Leave** - Mississippi law authorizes payment for a maximum of 30 days accrued personal leave in a lump sum upon termination of employment. No payment is authorized for accrued major medical leave unless employees present medical evidence that their physical condition is such that they can no longer work in a capacity of State government.

The State's obligation with respect to governmental and expendable trust funds for accumulated unpaid personal leave, up to the maximum of 30 days per employee, is reported in the accompanying general long-term obligations account group. In the university and in the proprietary and similar trust fund types, this obligation is reported as a liability in the respective funds. In the governmental funds, only the amounts that normally would be liquidated with expendable available financial resources are accrued as current-year expenditures. The State uses the last-in, first-out method of recognizing use of compensated absences.

The reported liability for accumulated unpaid personal leave applicable to all fund types includes the related fringe benefits that the State as employer is required to pay when the accrued compensated absences are liquidated.

Accumulated unpaid major medical leave is not accrued, except in university funds, because it is not probable that the compensation will be paid in a lump sum other than in the event of severe illness. However, State law authorizes university funds to make payment for a maximum of 30 days in a lump sum upon termination of employment for nine month faculty members eligible to receive retirement benefits.

N. **Deferred Revenue** - Deferred revenues arise when a potential revenue does not meet the "available" criterion for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or for food stamps held pending distribution. In subsequent periods, when the revenue recognition criterion is met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

O. **Fund Equity** - The equity section of the governmental fund balance sheet is comprised of three major fund balance elements: reserved; unreserved, designated; and unreserved, undesignated. The two primary elements of a proprietary fund's equity are contributed capital and retained earnings. These elements are explained below.

CONTRIBUTED CAPITAL

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from other funds.

RESERVATIONS

Reservations are for the following fund types and purposes:

Fund Types

Governmental and Fiduciary - Fund balances of governmental and fiduciary fund types which are legally restricted to a specific future use or that are not available for appropriation or expenditure are reported as reservations of fund balances.

Proprietary - Reserved retained earnings of the proprietary funds represent primarily those portions of fund equity that are legally restricted for payment of debt service.

University - Fund balances of university funds that are legally restricted by outside sources to specific future use are reported as reservations of fund balances.

Purposes

Bond Retirement - Represents the portion of fund balance that is required to be used for debt retirement.

Encumbrances - Represents outstanding commitments at year end that will be liquidated in the lapse period.

Inventories - Represents the portion of fund balance which is comprised of inventories which are not available spendable resources. Food stamps inventory is recorded as deferred revenue since the revenue recognition criteria has not been met.

Pension Benefits - Represents the portion of fund balance that will be used to provide future retirement benefits to members of the Public Employees' Retirement System of Mississippi.

Long-Term Portion of Receivables, Loans and Notes - The State has made loans and advanced funds under various programs that will be repaid over a number of years. Fund balance has been reserved in an amount equal to the balance of loans and advances receivable to indicate that they are not available resources for appropriation.

Other - Consists principally of unemployment compensation, $413,352,573; and educational and vocational training, $19,260,931. Higher education activities include loans to students, $61,247,595; research projects, $18,592,548; and endowments, $20,649,422.

DESIGNATIONS

Designations of unreserved fund balances are established to reflect tentative plans for future utilization of current financial resources. Designations are established for the following categories:

Debt Service - Amounts anticipated to pay future debt service requirements.

Capital Projects and Highway and Road Construction - Amounts anticipated to be utilized for the construction of State facilities, highways and roads.

Designated for Other Specific Purposes - Amounts designated for other specific purposes in special revenue funds are specified to be used for special education purposes. Special treasury funds classified within the GAAP General Fund are shown in this designation, since the funds are not available for appropriation by the State Legislature unless enabling legislation is approved. The fund balances of the General Fund Stabilization Reserve, General Fund Reserve and Working Cash Balance Revolving Account are also recorded as designated for other specific purposes.

The General Fund Stabilization Reserve - State law requires that there be an account maintained for the purpose of accumulating funds to cover any unforeseen deficits in revenues which may occur in the General Fund at the end of a fiscal year. If the Department of Finance and Administration determines, after the close of each fiscal year, that General Fund revenues exceeded General Fund expenditures determined on the budgetary basis, one-fourth of the excess is transferred into the General Fund Stabilization Reserve. Such transfers shall continue to be made, in succeeding fiscal years when excess revenues occur, until the accumulated total in this reserve equals five percent of General Fund revenue for the latest fiscal year. Amounts used to alleviate State General Fund deficits must be restored to the reserve out of future annual surpluses until the maximum (five percent) is again attained. As in the prior year, it has been determined that General Fund revenues did not exceed General Fund expenditures, therefore no cash was transferred into the General Fund Stabilization Reserve account. During fiscal year 1990, the Legislature appropriated $3,000,000 from this account to be transferred to Emergency Management for disaster relief. The account balance at June 30, 1990 was $17,305,252, which is 0.96% of 1990 General Fund revenues on a budgetary basis.

The General Fund Reserve - State law requires the transfer of three-fourths of the excess State General Fund revenues on a budgetary basis over General Fund expenditures of any fiscal year, to be held for use by the State Legislature at its discretion and to provide State funds to pay warrants drawn for payments which are reimbursed by the federal government under the federal plan for a "delay-of-drawdown letter of credit." Such federal reimbursements are deposited into the General Fund Reserve account upon receipt. No amount was transferred in fiscal year 1990 that related to 1989, and during fiscal year 1991 there will be no transfer into the General Fund Reserve for 1990. The account balance at June 30, 1990 aggregated $4,000,000.

The Working Cash Balance Revolving Account - State law created this account to pay State obligations when there is insufficient cash from other General Fund sources to pay obligations as they become due. Sums used for this purpose must be reimbursed from General Fund revenues collected during the then current fiscal year. This account, created in July 1984, was funded by income tax revenues. Interest earned from the investment of amounts not required for current use is to be deposited into the Working Cash Balance Revolving Account until the balance in the account equals five percent of total General Fund appropriations for the current fiscal year. The intent of the State Legislature was for this account to have a balance of $31,000,000 on the last day of any fiscal year unless the State Legislature, by an affirmative vote of two-thirds of both Houses, authorizes an expenditure from the account. On June 30, 1990, the balance was $38,318,053, which is 1.97% of 1990 General Fund appropriations. The balance in the Working Cash Balance Revolving Account is not to be considered as available funds in the process of adopting a balanced budget for any fiscal year.

P. **Federal Grants** - Federal grants and assistance awards made on the basis of entitlement periods are recorded as receivables and revenues when entitlement occurs. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Use of grant resources are conditioned upon compliance with terms of the grant agreements and applicable federal regulations which include subjecting grants to financial and compliance audits.

Q. **Reclassifications** - Certain reclassifications have been made to the 1989 financial statements to conform to the 1990 presentation.

R. **Total (Memorandum Only) Columns** - "Total (Memorandum Only)" columns represent an aggregation of the combined financial statements of each fund type and account group. They are presented for information only and do not represent consolidated financial information.

S. **Comparative Data** - On certain statements, 1989 fiscal year "Total (Memorandum Only)" columns are presented for comparative purposes in order to provide an understanding of changes in the State's financial position and operations. However, comparative data have not been provided for individual fund types or in total for all combined financial statements.

Note 2 - Budgetary Process, Control and Reconciliation to GAAP

Mississippi State law requires both the Governor and the Legislative Budget Office to prepare and submit to the Legislature at the beginning of each annual session an overall balanced budget for budgeted activities and functions in the ensuing fiscal year. The Legislature compares these budgets, makes any revisions it deems necessary or appropriate, and legally enacts an annual State budget through passage of specific departmental appropriation bills by activity or function for the general and special funds and by major expenditure classification for all funds in total but not for individual funds, the sum of which should not exceed estimated amounts available and projected revenues for those activities and functions. The Governor has the power to approve or veto each line item appropriation; however, vetoes are subject to Legislative override.

The State has established two budgetary fund groups to account for its budgetary activities and functions:

General - accounts established to receive and distribute general tax revenues and other general revenues and interest generated thereon.

Special - accounts established to receive federal grants, fees, proceeds from the sale of goods and services, taxes levied for specific purposes and interest generated thereon, and to support the functional activities of the agencies that generate such revenues.

The budget covers most governmental funds included in the State reporting entity but excludes certain distributive accounts, debt service funds, endowment funds, research funds from other than State appropriations, and private gifts to designated agencies or for designated purposes which are not subject to appropriation pursuant to State law. Certain accounts recommended by the Department of Finance and Administration as not being subject to appropriation are also excluded. Certain accounts held outside the Treasury are similarly not budgeted. The budget does include certain proprietary funds and the administrative costs of operating the Public Employees' Retirement System of Mississippi.

The Department of Finance and Administration monitors agency budget compliance through an allotment process. For the general fund, allotments are established at or below the level of appropriation for each budgetary activity or function. For the special fund, allotments may be established in excess of the original appropriation if revenues from federal funding sources exceed original estimates. To provide sufficient funding for several programs supported by general fund appropriations during the fiscal year, supplemental appropriations of $29,246,062 were approved by the Legislature. Budget allotments were increased to reflect these supplemental appropriations. The final legally adopted budget in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP) Basis - All Budgetary Funds represents the final allotment for each budgeted fund.

If, at the end of October or any month thereafter of any fiscal year, general fund revenues collected for the fiscal year fall below 98% of the estimate adopted by the Legislative Budget Office at the date of sine die adjournment, the Department of Finance and Administration is required by statute to reduce allotments of appropriations to general fund agencies by the amount necessary to keep expenditures within the actual general fund receipts for the fiscal year. No agency's allotment may be reduced by more than 5% unless allotments to all general fund agencies have been reduced by 5%. Any required reductions in excess of 5% must consist of a uniform percentage reduction to all general fund agencies. Reduced allotments may be restored if revenue collections exceed revised estimates. For the years ended June 30, 1990 and 1989, no general fund appropriation allotment was reduced.

State agencies are responsible for exercising budgetary control and ensuring that allotments are not overspent, subject to Department of Finance and Administration review. The legal level of budgetary control is at the agency level by activity or function as well as by major expenditure classification (e.g., personal services, contractual services, commodities) if a major expenditure budget was established by approved appropriation bills. For those appropriations that are not delineated as to major expenditure classification, the lowest level of budgetary control is activity or function. Agencies are authorized to transfer appropriated amounts between major expenditure classifications not to exceed 10%, except that the amount budgeted for salaries cannot be changed and the amount budgeted for capital outlay - equipment cannot be increased. In addition, special fund expenditures cannot exceed the amount of cash in the fund at any time.

Budgeted general fund revenues in the accompanying Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds represent the general fund revenue estimate adopted by the Legislative Budget Office at the date of sine die adjournment. Special fund revenue estimates include anticipated revenues during the year and the amount of beginning cash balances on hand at the beginning of the year which are anticipated to be expended for special fund purposes.

Because of the complexity of the State's budget, including more than 1,100 appropriated line items, a separate Annual Report of Budgetary Basis Expenditures has been prepared to present budget to actual comparisons. This budgetary report is available at the Department of Finance and Administration.

The Combined Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Budgetary Fund Balances - Budget and Actual (Non-GAAP Basis) - All Budgetary Funds presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP (see Note 1E), a reconciliation of resulting basis, timing, perspective and entity differences in the excess of revenues over (under) expenditures/expenses and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 1990 is presented below:

	Budgetary Funds		Financial Statement Fund Types		
	General	Special	General	Special Revenue	Debt Service
Excess of Revenues Over Expenditures and Other Financing Sources (Uses) - Budgetary Funds Budgetary Method	$ (79,090,070)	$ (1,472,344)	$	$	$
Entity and Perspective Differences:					
Reclassification of budgetary funds to GAAP financial statement fund types	79,090,070	903,429	(81,994,831)	(3,889,877)	
Elimination of budgetary funds that are GAAP agency funds		568,915			
Add non-budgeted funds			21,398,449	7,205,636	3,570,760
Basis Differences:					
Net accrued revenues, related receivables and deferred revenues			631,155,759	(435,209)	
Net accrued expenditures/expenses and related liabilities			(622,307,459)	(9,343,110)	
Timing Differences:					
Lapse period revenues which were not treated as assets			(66,039,506)	(4,763,550)	
Lapse period expenditures/expenses which were not treated as liabilities			70,448,683	7,315,858	
Excess of Revenues Over Expenditures and Other Financing Sources (Uses)/Net Income (Loss) - GAAP Fund Types - GAAP Basis	$ 0	$ 0	$ (47,338,905)	$ (3,910,252)	$ 3,570,760

Capital Projects	Enterprise	Internal Service	Expendable Trust	Non-Expendable Trust	Pension Trust	University
$	$	$	$	$	$	$
	5,162,160	1,227,079			42,731	(540,761)
22,479,921	3,048,171		(3,351,830)	97,557	14,764,681	
(3,808,719)	(11,718,818)	223,209			737,985,911	656,571,974
(116,338)	12,400,074	(231,696)			(285,503,633)	(567,214,445)
(23,031)	(996,929)	(454,261)			(95,070)	(5,607,087)
23,031	1,436,994	(1,303,109)			49,904	5,691,816
$ 18,554,864	$ 9,331,652	$ (538,778)	$ (3,351,830)	$ 97,557	$ 467,244,524	$ 88,901,497

Note 3 - Other Accounting Disclosures

A. **Individual Fund Deficits** - At June 30, 1990, the Department of Finance and Administration's General Services Land Leasing Fund (reported as a special revenue fund) had a deficit balance of $216,822. The deficit is the result of the recognition of allowances for uncollectible accounts.

B. **Residual Equity Transfers** - During fiscal year 1990, expendable trust funds transferred $5,500,000 and enterprise funds transferred $148,692 to the General Fund. The General Fund transferred $1,802,236 and special revenue funds transferred $8,411 to university funds.

Note 4 - Deposits and Investments

Investment Policies

The State Treasurer maintains a cash and short-term investment pool for all State general and special treasury funds and for investments of certain other State agencies. In addition, the Public Employees' Retirement System (PERS), Mississippi Home Corporation (MHC) and a small number of other agencies carry out investment activities separate from the State Treasurer. A discussion of statutory authority for these investments follows:

State Treasurer - The State Treasurer is authorized to invest in certificates of deposits which are reflected as deposits or investments in the accompanying financial statements and in repurchase agreements or reverse repurchase agreements. Both investment types are made with approved financial institutions, bank and savings associations, domiciled in Mississippi. Financial institutions make annual application to the State Treasurer for state funds by signing a contract and supplying their financial report as provided to their regulatory authority to assure the statutorily required 5 1/2% primary capital to total assets ratio. Depositories must collateralize all uninsured deposits with qualifying securities at least equal to 105% of the uninsured amount. The State Treasurer is also authorized to invest in direct United States Treasury obligations and United States Government agency obligations.

Public Employees' Retirement System (PERS) - PERS is authorized to invest in the following:

Bonds, notes, certificates and other valid general obligations of the State of Mississippi, or any county, or any city, or any supervisor's district of any county of the State of Mississippi;

School district bonds of the State of Mississippi;

Notes or certificates of indebtedness issued by the Veterans' Home Purchase Board of Mississippi;

Highway bonds of the State of Mississippi;

Corporate bonds of Grade A or better as rated by Standard and Poor's Corporation or by Moody's Investors Service;

Short-term obligations of corporations, or of wholly-owned subsidiaries of corporations, whose short-term obligations are rated A-2 or better by Standard and Poor's Corporation or rated P-2 or better by Moody's Investors Service;

Bonds of the Tennessee Valley Authority;

Bonds, notes, certificates and other valid obligations of the United States or any federal instrumentality that issues securities under authority of an act of Congress and are exempt from registration with the Securities and Exchange Commission;

Bonds, notes, debentures and other securities issued by any federal instrumentality and fully guaranteed by the United States;

Bonds rated Single A or better, stocks and convertible securities of established foreign companies which are listed on primary national stock exchanges of foreign nations and in foreign government securities rated Single A or better by a recognized rating agency;

Interest-bearing bonds or notes which are general obligations of any other state in the United States or any city or county therein, provided such city or county had a population as shown by the federal census next preceding such investment of not less than 25,000 inhabitants, and provided that such state, city, or county has not defaulted for a period longer than 30 days in the payment of principal or interest on any of its general obligation indebtedness during a period of 10 calendar years immediately preceding such investment;

Shares of stock, common and/or preferred, of corporations created by or existing under the laws of the United States or any state, district or territory thereof;

Covered call and put options on securities traded on one or more of the regulated exchanges.

PERS is also authorized by its Board of Trustees to operate a securities lending program and to enter into reverse repurchase agreements. This program is designed to produce supplemental income to PERS with little or no additional risk. All securities in PERS are available for loan to pre-approved securities dealers. In order to be approved, the securities dealers must meet the following criteria:

(a) They must meet the minimum net capital requirements and the aggregate indebtedness limitations that are imposed upon members of the New York Stock Exchange;

(b) They must have signed a Securities Lending Agreement or a Master Repurchase Agreement, as appropriate, with PERS.

Reverse repurchase agreements are a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The cash received on reverse repurchase agreements normally exceeds the market value of securities underlying the reverse repurchase agreements, providing PERS protection against an increase in the market value of the securities. If the dealers default on their obligations to resell these securities to PERS or provide securities or cash of equal value, PERS would suffer an economic loss equal to the difference between the market value plus accrued interest of the underlying securities and the reverse repurchase agreement obligation, including accrued interest. At June 30, 1990, the aggregate amount of the reverse repurchase agreement obligations, including accrued interest was $244,832,334 and the aggregate market value, including accrued interest, of the underlying securities was $243,061,885.

All of the investment assets of the Mississippi Highway Safety Patrol Retirement System (MHSPRS), the Municipal Retirement System (MRS) and the Supplemental Legislative Retirement Plan (SLRP) are combined with those of PERS and invested in fixed income securities and equity securities. These investments are accounted for as part of the PERS Pension Trust Fund. MHSPRS, MRS and SLRP have an equity interest in the PERS fund based upon funds contributed and earnings allocated. Individual investments in the PERS Pension Trust Fund are not specifically allocated to MHSPRS, MRS and SLRP.

Mississippi Home Corporation (MHC) - MHC is authorized to invest in obligations of any municipality, the State of Mississippi or the United States; in obligations the principal and interest of which are guaranteed by the State or the United States; in obligations of any corporation wholly owned by the United States; in obligations of any corporation sponsored by the United States; in certificates of deposit or time deposits of depositories approved by the State Treasurer; in money market funds and repurchase agreements whose underlying securities are authorized investments of MHC.

Deposits

The carrying amount of the State's total deposits as of June 30, 1990 was $595,583,906 and the corresponding bank balances were $642,589,740. The portion of such bank balances covered by federal depository insurance or by collateral held by a custodial institution in the name of the State was $363,346,539. In addition, $36,431,126 was collateralized with securities held by a pledging financial institution's trust department or agent in the State's name, $150,751,338 was collateralized with securities held by a pledging financial institution's agent in the State's name allowing substitution of collateral based on par value, while $92,060,737 was collateralized with securities held by a pledging financial institution or was uninsured and uncollateralized. Of the final category, the MHC had $53,775,830, the university funds and other agencies had $24,913,306 and $13,371,601, respectively.

Investments

The following table presents the carrying and market value of investments by type and categorizes the carrying amounts as follows:

- category 1 are those which are insured or registered, or held by the State or its agent in the State's name;
- category 2 are those which are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the State's name;
- category 3 are those which are uninsured and unregistered, with securities held by the counterparty's agent in the State's name allowing substitution of collateral based on the par value; and
- category 4 are those which are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the State's name.

At June 30, 1990, the State's investments consisted of:

	Category				Carrying Value	Market Value
	1	2	3	4		
Investments:						
Short-term securities:						
Commercial paper	$ 134,355,236	$	$	$	$ 134,355,236	$ 134,355,236
Repurchase agreements	516,121,762	47,772,720	229,558,322	21,485,309	814,938,113	814,938,113
U.S. Government securities and agencies	226,853,552	499,232		7,739,054	235,091,838	237,466,476
U.S. Government securities and agencies - long-term	2,028,364,121	6,978,116			2,035,342,237	2,033,257,933
Corporate bonds and notes	522,535,150	100,000		882,468	523,517,618	514,707,316
Corporate equities	1,254,848,445			2,112,826	1,256,961,271	1,649,106,864
	$ 4,683,078,266	$ 55,350,068	$ 229,558,322	$ 32,219,657	5,000,206,313	5,383,831,938
Investments held by broker-dealers under reverse repurchase agreements:						
U.S. Government securities and agencies					238,208,065	239,946,284
Deferred compensation plan pooled investments:						
Fixed and variable investments					100,126,142	100,126,142
Life insurance contracts					1,329,031	1,329,031
Multi-state university investment pool					5,930,620	8,144,606
Total Investments					$ 5,345,800,171	$ 5,733,378,001

In addition to the deposits and investments described above, the State has approximately $379,465,101 on deposit with the United States Government. These funds represent unemployment insurance taxes collected from Mississippi employers which are held by the U.S. Treasury.

Note 5 - Receivables

Net receivables by fund type as of June 30, 1990 consisted of the following:

	General	Special Revenue	Debt Service	Enterprise	Internal Service	Trust and Agency	University	Total
Taxes receivable:								
Sales	$ 108,010,442	$	$	$	$	$	$	$ 108,010,442
Income	48,821,852							48,821,852
Gasoline	27,446,333							27,446,333
Unemployment insurance						20,883,697		20,883,697
Other	12,333,053							12,333,053
Total taxes receivable	196,611,680					20,883,697		217,495,377
Other receivables:								
Patient accounts							176,090,675	176,090,675
Tuition							25,519,507	25,519,507
Securities sold						18,084,000		18,084,000
Interest and dividends	11,412,141	242,140	392,329	12,152,900		69,028,307		93,227,817
Contributions						38,372,562		38,372,562
Other	21,783,596	868,620		4,395,620	13,550	7,075,959	6,253,746	40,391,091
Total receivables	229,807,417	1,110,760	392,329	16,548,520	13,550	153,444,525	207,863,928	609,181,029
Allowance for uncollectible receivables	(8,021,196)	(223,538)		(768,354)		(632,539)	(166,883,757)	(176,529,384)
Receivables, net	$ 221,786,221	$ 887,222	$ 392,329	$ 15,780,166	$ 13,550	$ 152,811,986	$ 40,980,171	$ 432,651,645

Note 6 - Interfund Receivables/Payables

Interfund receivables and interfund payables consisted of the following at June 30, 1990:

Fund Type/Fund	Interfund Receivables		Interfund Payables	
General	$	$ 8,370,465	$	$ 18,391,799
Special Revenue:				
Budget and Policy Development	15,455		25,387	
Emergency Management			9,749	
Other General Government	195			
Department of Education			640	
Vocational Rehabilitation for the Blind	65,357		214	
Other Education	8,452		3,834	
Community Services	1,480,022		969,427	
Rehabilitation Services	18,435		25,106	
Disability Determination			30,865	
Alcohol and Drug Abuse Program	202,544		50,586	
Social Services			171	
Employment Services	1,514,740		164,091	
Attorney General Medicaid			1,766	
Community Services			8,470	
Public Safety Planning			219,293	
Camp Shelby Timber	50		464	
Facility Maintenance and Operation	276		22,271	
Camp Shelby Base Operation			31,308	
Air National Guard Training Site Operation			852	
Agriculture and Commerce	35,032			
Community Development	25,012		3,963,208	
Oil and Gas Board			11,569	
Bureau of Fisheries and Wildlife	234,071		487,311	
Bureau of Marine Resources	238,141		19,266	
Other Wildlife Conservation and Marine Resources			752	
Other Recreation and Resource Development			165	
Public Service Commission	2,078,711		31,719	
Workers' Compensation Commission			17,150	
Bank Supervision Administrative			4,848	
Consumer Finance			5,663	
Other Regulatory Agencies			35,389	
Aeronautics Commission	231,631		753	
Energy and Transportation			275,575	
		6,148,124		6,417,862

State of Mississippi

Fund Type/Fund	Interfund Receivables		Interfund Payables	
Debt Service:				
Highway Revenue Refunding Bond Retirement and Interest	$	$ 2,551,114	$	$ 248,005
Capital Projects:				
Bureau of Buildings Construction and Improvement		677,226		4,756
Enterprise:				
Mississippi Business Finance Corporation	42			
Fair Commission			130,939	
Water Pollution Abatement Fund	142,520			
Veterans' Home Purchase Board			807	
Veterans' Memorial Stadium Commission			123,420	
Port Authority at Gulfport			6,019	
Mississippi Home Corporation			291	
Mississippi Industries for the Blind	25,908		41,072	
Farmers' Central Market Board			25,167	
Prison Industries	49,403			
Commissary	11,058			
Bureau of Surplus Property	4,954		1,362	
Yellow Creek Inland Port Authority			1,169	
		233,885		330,246
Internal Service:				
Personnel Administration	130,302		19,275	
Data Processing Services	1,103,608		26,038	
Central Data Processing Authority Planning and Policy	334,804		12,361	
Telecommunications	371,316		8,738	
		1,940,030		66,412
Trust and Agency:				
Expendable Trust:				
Group Insurance	5,297,217			
State Employees' Unemployment Insurance	586,555		277,611	
Unemployment Compensation	4,139,228		150,997	
		10,023,000		428,608
Pension Trust:				
Public Employees' Retirement System	13,466		176,728,265	
Highway Safety Patrol Retirement System	93,599,629		6,059	
Municipal Retirement System	81,754,016		7,100	
Supplemental Legislative Retirement Plan	409,751		307	
		175,776,862		176,741,731
Agency:				
Social Security	960,865			
Local Government Distributive	17,410		227,100	
Program	154,186		7,736,950	
Institutional			86,018	
		1,132,461		8,050,068
University:				
Current Funds:				
Unrestricted	22,634,221		12,431,687	
Restricted	1,465,730		8,672,752	
Loan	131,918		90,790	
Endowment			1,021	
Plant	572,454		1,893	
Agency	675,584		455,444	
		25,479,907		21,653,587
		$ 232,333,074		$ 232,333,074

Note 7 - Loans and Notes Receivable

At June 30, 1990, loans and notes receivable by fund type, net of allowances of $12,189,139 for uncollectible student loans, consisted of the following:

	General Fund	Special Revenue	Debt Service	Enterprise	University	Total
Mortgage loans (a)	$	$	$	$ 400,596,244	$	$ 400,596,244
Hospital equipment loans				94,979,148		94,979,148
Economic development loans				120,711		120,711
Railroad revitalization loans		1,687,497				1,687,497
Energy loan program		48,000				48,000
Student loan program (b)					50,733,273	50,733,273
Ingalls Shipbuilding Corporation loan receivable (c)			51,425,000			51,425,000
Mississippi Business Investment Act notes receivable (d)	34,123,171					34,123,171
Small Enterprise Development loans (e)	7,490,000					7,490,000
Disaster loans	3,226,518					3,226,518
Loans and Notes Receivable, Net	$ 44,839,689	$ 1,735,497	$ 51,425,000	$ 495,696,103	$ 50,733,273	$ 644,429,562

(a) Mortgage loans receivable of $339,075,235 represent monies provided by the Mississippi Home Corporation to finance residential housing for persons of low and moderate income in the State. Proceeds of principal and interest on these loans are pledged to meet the debt service requirements of the Corporation's revenue bonds (see Note 11). Veterans' Home Purchase Board's mortgage loans receivable of $61,521,009 represent loans to eligible Mississippi veterans primarily for the purchase of residential housing.

(b) Student loans are made pursuant to student loan programs funded by the U.S. Government.

(c) In fiscal year 1967, the State sold general obligation bonds of $130,000,000 to build and equip a shipyard and shipbuilding facilities for use by Ingalls Shipbuilding Corporation (Ingalls) to further the economic growth of the State. Ingalls agreed to repay the loan over 40 years in amounts sufficient to pay maturing bond principal and interest.

(d) Since fiscal year 1987, the State has issued Mississippi Business Investment Act (MBI) notes and bonds. The purpose of the notes and bonds is, in part, to provide interest free loans to Mississippi local governments for economic development.

(e) During fiscal year 1990, the State issued Small Enterprise Development bonds. The proceeds of the bonds were used to provide loans to private companies for the acquisition, construction and equipping of manufacturing or processing facilities.

The long-term portion of the Ingalls loan and the MBI notes aggregating $51,425,000 and $33,862,171, respectively, are considered to be available for future debt service on collection and have been reported as such in the General Long-term Obligations Account Group.

Note 8 - Property, Plant and Equipment

Changes in the General Fixed Assets Account Group by major asset classification for the year ended June 30, 1990 are presented below:

	Balance July 1, 1989	Additions	Deletions	Balance June 30, 1990
Land	$ 49,074,458	$ 135,810	$ 33,816	$ 49,176,452
Buildings	369,410,955	24,920,563	3,478,530	390,852,988
Improvements other than buildings	51,457,159	2,999,124	24,934	54,431,349
Machinery and equipment	343,218,704	39,124,893	23,563,626	358,779,971
Construction in progress	43,526,418	33,246,457	23,999,298	52,773,577
	$ 856,687,694	$ 100,426,847	$ 51,100,204	$ 906,014,337

Construction in progress is composed of the following:

	Project Authorization	Expended To Date	Outstanding Commitment
State Penitentiary	$ 38,890,189	$ 36,797,833	$ 1,595,676
Camp Shelby National Guard facilities	4,411,511	3,047,783	1,363,728
State Highway Department buildings	4,169,086	3,377,439	368,986
Other	21,918,606	9,550,522	921,701
	$ 69,389,392	$ 52,773,577	$ 4,250,091

No further financing is required on any of the construction in progress. Construction in progress of $2,802,497 expended to date for military facilities represents payments directly to construction contractors from the federal government.

At June 30, 1990, property, plant and equipment recorded in individual fund types, net of accumulated depreciation where applicable, consisted of the following:

	Enterprise	Internal Service	Trust and Agency	University
Land	$ 2,761,885	$	$ 508,000	$ 15,409,745
Buildings	30,423,261		3,542,564	500,054,581
Improvements other than buildings	22,630,320		126,006	56,498,496
Machinery and equipment	12,379,641	15,092,210	1,843,245	339,589,946
Construction in progress				39,207,488
Total fixed assets	68,195,107	15,092,210	6,019,815	950,760,256
Accumulated depreciation, where applicable	37,219,936	6,667,794	1,135,925	
Property, Plant and Equipment, Net	$ 30,975,171	$ 8,424,416	$ 4,883,890	$ 950,760,256

Note 9 - General Obligation Bonds

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities, including ports, stadium facilities, university facilities, public schools, parks, bridges and roads. General obligation bonds have also been issued to purchase land for wildlife conservation.

General obligation bonds are backed by the full faith, credit and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and is therefore recorded in these funds, the State remains contingently liable for its payment. During fiscal year 1990, the General Fund assumed $2,340,000 of general obligation bonds previously issued for stadium expansion and accounted for in an enterprise fund. This transaction was reflected as a contribution of capital to the enterprise fund. General obligation debt, which was issued to finance the construction and equipping of educational buildings and other facilities for universities and is not secured by a pledge of revenues from the related facilities, is a direct obligation of the State and is reported in the General Long-term Obligations Account Group. Other general obligation debt of the university funds, which is being retired from pledged resources of those funds, is reported as a liability of the university funds although the State remains contingently liable for its retirement.

Port development bonds are payable from revenues derived from a loan to Ingalls Shipbuilding Corporation (Ingalls), a wholly-owned subsidiary of Litton Industries, Inc. During fiscal year 1990, Ingalls prepaid loan payments and the State used those payments to retire $11,905,000 of port development bonds. The $51,425,000 port development bonds outstanding at June 30, 1990 are 5% term bonds, maturing December 1, 1997. The bond resolution requires annual deposits of payments from Ingalls to a sinking fund for the retirement of such bonds and the payment of semiannual interest. The obligation of Ingalls to make payments is unconditional so long as the bonds are outstanding and is guaranteed by Litton Industries, Inc. These bonds are also backed by the full faith and credit of the State.

In 1978 and 1985, the State defeased certain outstanding general obligation bonds by depositing the net proceeds of refunding bonds and additional monies from debt service funds in an irrevocable trust to be used solely for satisfying all future scheduled principal and interest payments on the defeased bonds. Accordingly, for financial reporting purposes the defeased bonds and related trust accounts are not included in the financial statements. At June 30, 1990, $531,440,000 outstanding bonds were considered defeased.

The State's outstanding general obligation bonds at June 30, 1990 were as follows:

Purpose	Amount Outstanding	Interest Rates	Final Maturity Date
Enterprise Funds:			
Port Improvement (Gulfport)	$ 14,814,000	1% - 9.2%	May 2004
Port Improvement (Yellow Creek)	125,000	4.7%	Feb. 1991
	14,939,000		
University Funds:			
University Building	7,867,000	4.0% - 5.7%	Apr. 1999
General Long-term Obligations Account Group:			
Capital Improvement	68,500,000	6.25% - 8.9%	Oct. 2009
Correctional Facilities Projects	53,865,000	6.2% - 7.4%	Aug. 2007
Home Port Causeway	11,100,000	6.3% - 7.5%	July 2007
Institution of Higher Learning Facilities	38,990,000	6.4% - 11%	Aug. 2008
Mississippi Business Investment Act	47,955,800	5.5% - 14%	Apr. 2009
Mississippi Major Economic Impact Act	17,000,000	6.1% - 10%	Mar. 2010
Mississippi Small Enterprise Development Finance Act	7,490,000	6.4% - 7.5%	Sept. 2004
Mississippi Technology Transfer Center	970,000	4.5% - 4.7%	Dec. 1991
Port Development	51,425,000	5%	Dec. 1997
Public School Construction	50,090,000	4.9% - 6.75%	July 1999
Stadium Expansion	2,185,000	6.3% - 6.8%	Dec. 1999
State Aid Road Construction	28,865,000	4.7% - 12%	Sept. 2000
State Park Improvement	5,920,000	4.5% - 7.7%	July 2000
University Building	1,815,000	4% - 5.4%	Sept. 1992
Wildlife Conservation	2,350,000	5.1%	Sept. 1991
	388,520,800		
	$ 411,326,800		

Future general obligation debt service requirements at June 30, 1990 are as follows:

Year Ending June 30	Principal	Interest	Total
1991	$ 22,681,600	$ 26,753,566	$ 49,435,166
1992	23,401,600	25,206,108	48,607,708
1993	22,132,600	23,725,418	45,858,018
1994	22,422,600	22,276,452	44,699,052
1995	22,500,600	20,817,433	43,318,033
Thereafter	298,187,800	129,743,856	427,931,656
	$ 411,326,800	$ 248,522,833	$ 659,849,633

Subsequent to year end, the State issued the following bonds:

Small Enterprise Development Finance Act General Obligation Bonds (1990 Series) totaling $4,625,000 dated September 1, 1990. The bonds mature serially through 2005 at interest rates ranging from 6.4% to 9%.

Capital Improvement General Obligation Bonds totaling $69,485,000 dated October 1, 1990. The bonds mature serially through 2010 at interest rates ranging from 6.5% to 9.25%.

Soil and Water Conservation Commission General Obligation Bonds totaling $250,000 dated October 1, 1990. The bonds mature serially through 1996 at interest rates ranging from 6.2% to 8.5%.

Changes in general obligation bonds recorded in the General Long-term Obligations Account Group during the year ended June 30, 1990 are summarized in Note 13.

Note 10 - Limited Obligation Bonds

Limited obligation bonds are payable exclusively from specific pledged General Fund revenues. Such bonds are not secured by the full faith, credit and taxing power of the State, and the holders of such bonds are not entitled to look to other State resources for payment.

The outstanding limited obligation bonds at June 30, 1990, including accrued accreted interest of $15,222,054 on appreciation bonds, consisted of the following:

Purpose	Amount Outstanding	Interest Rates	Final Maturity Date
Highway Refunding Bonds: (a)			
Serial bonds	$ 125,495,000	7.3% - 8.9%	Feb. 1998
Appreciation serial bonds	20,265,127	7.75% - 9.1%	Aug. 1998
Appreciation term bonds	4,721,666	9.875%	Aug. 2005
Term bonds	25,000,000	6.5%	Aug. 2005
Appreciation term bonds	18,435,169	10.25%	Feb. 2008
	193,916,962		
Fire Academy Bonds (b)	160,000	6.5%	Oct. 1990
Office Facilities Bonds (c)	1,460,000	5.5% - 6.1%	Nov. 1993
	$ 195,536,962		

(a) **Highway Refunding Bonds** - Series 1985 - (hereinafter referred to as the Series 1985 Bonds) were issued in September and October 1985 with a face value of $331,180,000 for the purpose of refunding the State's outstanding $443,240,000 General Obligation Highway Refunding Bonds - 1978 Series and $11,550,000 General Obligation Highway Bonds - 1978 Series A, which constituted all of the then outstanding highway bonds of the State.

The Series 1985 Bonds are payable solely from gross gasoline tax revenues and other sources pledged to their payment. The other pledged sources are: (a) proceeds from privilege tax collected in any year, net of certain administrative fees, in excess of $3,700,000; (b) proceeds derived from the issuance of fuel identification decals; (c) 15% of tobacco tax revenues collected in the previous month, not to exceed $5,000,000 in any fiscal year; and (d) cash and investments in accounts established by the Highway Bond Resolution adopted on September 19, 1985. The Series 1985 Bonds are fully and unconditionally insured.

The serial bonds and the appreciation serial bonds are not subject to redemption prior to maturity. The 6.5% term bonds, maturing in 2005, are redeemable at the option of the State on or after August 1, 1998 in whole or in part at a redemption price of 100% of the principal amount so redeemed, plus accrued interest to the date of redemption. The appreciation term bonds maturing on or after August 1, 2005 are redeemable in whole or in part at the option of the State on or after February 1, 2000 at a redemption price ranging from 105% of the accreted value of such bonds at the date of redemption in 2000, gradually decreasing to 100% of the accreted value of bonds redeemed February 1, 2005 and thereafter.

The serial bonds and appreciation serial bonds mature semiannually on February 1 and August 1 through 1998. Interest on the serial bonds is compounded semiannually and payable only at maturity or redemption. The appreciation term bonds will accrete in value to yield at maturity $5,000 per original investment of $742 and $539 for those bonds maturing in 2005 and 2008, respectively. The appreciation serial bonds will accrete in value to yield at maturity $5,000 per original investment ranging from $1,602 for bonds maturing on August 1, 1998 to $3,474 for bonds maturing on August 1, 1990.

(b) **Fire Academy Bonds** - Bonds in the aggregate principal amount of $2,200,000 were issued in June 1986 to defray expenses of capital improvements at the State Fire Academy. Principal and interest are payable solely from the additional premium tax (one-half of one percent) on multi-peril insurance assessed to provide funds for such payments.

(c) **Office Facilities Bonds** - Bonds in the aggregate principal amount of $2,485,000 were issued in November 1986 to construct office facilities. Principal and interest are payable from the rental of the office building and seizure of money by the Bureau of Narcotics.

Future limited obligation debt service requirements at June 30, 1990 are as follows:

Year Ending June 30	Principal	Interest	Total
1991	$ 20,099,085	$ 12,785,457	$ 32,884,542
1992	30,974,152	11,220,594	42,194,746
1993	26,619,204	9,317,486	35,936,690
1994	23,571,035	7,747,255	31,318,290
1995	19,515,389	6,481,141	25,996,530
Thereafter	59,536,043	137,008,635	196,544,678
	$ 180,314,908	$ 184,560,568	$ 364,875,476

Changes in limited obligation bonds during the year ended June 30, 1990 are summarized in Note 13.

Note 11 - Revenue Bonds and Notes

Revenue bonds and notes are backed by a pledge of resources derived from users of the related facilities and are not supported by the full faith and credit of the State.

Revenue bonds and notes outstanding, net of unamortized discounts at June 30, 1990 were as follows:

Fund Type/Agency	Amount Outstanding	Interest Rates	Final Maturity Date
Enterprise:			
Mississippi Fair Commission	$ 1,500,000	7.75% - 9.45%	Dec. 2005
Mississippi Home Corporation	526,156,633	5.8% - 12.125%	Oct. 2018
Mississippi Hospital Equipment and Facilities Authority	167,295,000	6% - 9.375%	Aug. 2016
	694,951,633		
University:			
Alcorn State University	459,000	2.875% - 3.5%	Dec. 2005
Jackson State University	4,756,000	2.875% - 12.125%	Sept. 2016
Mississippi State University	16,310,028	2.75% - 11%	Dec. 2020
Mississippi Valley State University	762,000	3% - 3.5%	July 2008
University of Mississippi	10,827,227	2.75% - 10%	July 2008
University Medical Center	1,753,528	6%	June 1992
University of Southern Mississippi	6,073,299	3% - 10.25%	Oct. 2020
	40,941,082		
	$ 735,892,715		

In compliance with Section 69-5-11, Mississippi Code Ann.(1972), the Fair Commission has established restricted accounts in the amount of $39,344 for the payments of debt service related to the revenue bonds. Cash and cash equivalents of $100,559 less current interest payable of $11,215 and current revenue bonds payable of $50,000 have been restricted for such purposes.

Future revenue bond and debt services requirements at June 30, 1990 were as follows:

	Enterprise		University		Total		
Year Ending June 30	Principal	Interest	Principal	Interest	Principal	Interest	Total
1991	$ 16,785,000	$ 63,125,406	$ 4,182,679	$ 1,851,190	$ 20,967,679	$ 64,976,596	$ 85,944,275
1992	11,765,000	62,552,905	3,805,061	1,648,852	15,570,061	64,201,757	79,771,818
1993	13,440,000	62,192,315	3,481,902	1,516,955	16,921,902	63,709,270	80,631,172
1994	15,655,000	61,710,735	3,410,915	1,400,156	19,065,915	63,110,891	82,176,806
1995	17,120,000	61,079,559	3,374,630	1,273,413	20,494,630	62,352,972	82,847,602
Thereafter	620,186,633	1,173,606,553	22,685,895	10,289,843	642,872,528	1,183,896,396	1,826,768,924
	$ 694,951,633	$ 1,484,267,473	$ 40,941,082	$ 17,980,409	$ 735,892,715	$ 1,502,247,882	$ 2,238,140,597

Subsequent to year end:

Mississippi Home Corporation issued revenue bonds totaling $126,808,911 dated September 1, 1990 through September 28, 1990. The bonds mature in 1995 through 2022 at interest rates ranging from 8.679% to 8.793%.

Mississippi Hospital Equipment and Facilities Authority issued revenue bonds totaling $78,310,000 dated May 1, 1990 and July 3, 1990. The bonds mature serially through 2013 at interest rates ranging from 5.9% to 7.6%.

The State Board of Health issued revenue notes totaling $225,000 dated October 1, 1990. The notes mature serially through 1994 at interest rates ranging from 6.4% to 8.375%.

Note 12 - Other Long-term Obligations

A. **Capital Lease Commitments** - The State leases property with varying terms and options. Most leases contain a fiscal funding addendum stating that the lease shall terminate on the last day of the fiscal year if appropriated funds for the ensuing fiscal year are insufficient. However, if renewal is reasonably assured, leases requiring appropriation by the Legislature are considered noncancellable leases for financial reporting purposes.

At June 30, 1990, machinery and equipment recorded under capital leases included in internal service funds, university funds and the General Fixed Assets Account Group were $6,887,232, $18,944,643, and $16,997,862, respectively.

Future minimum commitments under capital leases by fund type as of June 30, 1990 were as follows:

Year Ending June 30	Internal Service	University	General Long-term Obligations	Total
1991	$ 1,783,069	$ 3,149,779	$ 3,924,119	$ 8,856,967
1992	1,725,396	2,101,314	3,341,611	7,168,321
1993	310,349	1,180,982	1,941,051	3,432,382
1994		317,159	1,032,758	1,349,917
1995		204,085	18,587	222,672
Thereafter		362,731		362,731
Total Minimum Lease Payments	3,818,814	7,316,050	10,258,126	21,392,990
Less Interest	306,102	960,993	1,234,237	2,501,332
Present Value of Net Minimum Lease Payments	$ 3,512,712	$ 6,355,057	$ 9,023,889	$ 18,891,658

B. **Compensated Absences** - The State of Mississippi's liability for compensated absences reported in the General Long-term Obligations Account Group at June 30, 1990 was $43,687,140. The reported liability includes related fringe benefits and excludes any obligations related to leave accumulations in excess of 30 days per employee (see Note 1-M).

Changes in capital lease commitments and compensated absences recorded in the General Long-term Obligations Account Group during the year ended June 30, 1990 are summarized in Note 13.

Note 13 - Changes in Long-term Obligations

Changes in long-term obligations for the year ended June 30, 1990 are summarized below:

	General Obligation Bonds (Note 9)	Limited Obligation Bonds (Note 10)	Capital Lease Obligations (Note 12)	Accrued Compensated Absences (Note 12)	Total
Balance at July 1, 1989	$ 323,784,400	$ 199,853,880	$ 10,964,381	$ 42,497,019	$ 577,099,680
Bonds issued and assumed	95,330,000				95,330,000
Compensated absences earned				26,373,036	26,373,036
Increase in accreted value of capital appreciation bonds		3,843,082			3,843,082
Increase in lease obligations			614,116		614,116
Principal retirements	(30,593,600)	(8,160,000)			(38,753,600)
Compensated absences taken				(25,182,915)	(25,182,915)
Decrease in lease obligations			(2,554,608)		(2,554,608)
Balance at June 30, 1990	$ 388,520,800	$ 195,536,962	$ 9,023,889	$ 43,687,140	$ 636,768,791

Bond indebtedness incurred by the State of Mississippi must be authorized by legislation governing the specific programs or projects to be financed. Such legislation provides the State Bond Commission authority to approve and authorize the sale and issuance of bonds. The State Bond Commission is comprised of the Governor as chairman, the State Attorney General as secretary, and the State Treasurer.

Note 14 - Bonds Authorized But Unissued

Authorized but unissued bond indebtedness existed at June 30, 1990 to be used for various purposes as summarized below:

Purpose	Authorized Bonds	Authorized But Unissued
General Obligation Bonds:		
Public School Construction	$ 100,000,000	$ 49,910,000
Farm Reform	10,000,000	10,000,000
Mississippi Business Investment Act	145,000,000	91,018,000
Institute of Technology Development	6,000,000	6,000,000
Small Enterprise Development Finance	30,000,000	22,510,000
Major Economic Impact	30,000,000	13,000,000
Public Facilities Capitol Improvement	147,987,919	79,487,919
Institutions of Higher Learning, Equipment	15,000,000	15,000,000
Economic Development Highway	35,000,000	35,000,000
Port Improvement (Gulfport)	50,000,000	35,186,000
Soil and Water Commission	3,000,000	3,000,000
	571,987,919	360,111,919
Limited Obligation Bonds:		
Highway 4-Lane Program	50,000,000	50,000,000
Fire Academy	2,500,000	300,000
Office Facilities	2,600,000	115,000
	55,100,000	50,415,000
Revenue Bonds:		
Mississippi Fair Commission	4,000,000	1,525,000
Veterans' Home Purchase Board	20,000,000	20,000,000
Health Department	250,000	250,000
	24,250,000	21,775,000
	$ 651,337,919	$ 432,301,919

Note 15 - Segment Information - Enterprise Funds

Financial information by enterprise fund segment as of and for the year ended June 30, 1990 is as follows:

	Department of Economic and Community Development		Department of Environmental Quality		
	(a) Mississippi Business Finance Corporation	(b) Fair Commission	(c) Water Pollution Abatement Revolving Loan	(d) Veterans' Home Purchase Board	(e) Veterans' Memorial Stadium Commission
Operating revenues	$ 50,992	$ 2,506,983	$	$ 4,858,487	$ 1,612,782
Depreciation and amortization	1,463	287,117		12,214	349,505
Operating income (loss)	(155,165)	(229,968)		4,230,775	(552,436)
Operating transfers in					
Operating transfers out			(424,550)		(488,519)
Nonoperating revenues	520,421	16,748	2,774,507		116,649
Nonoperating expenses		139,416			
Net income (loss)	365,256	(352,636)	2,349,957	4,230,775	(924,306)
Current capital contributions					3,170,000
Property, plant and equipment:					
Additions		45,314		12,144	32,216
Deletions		1,605			
Net working capital	6,723,507	622,219	8,369,865	7,909,463	741,295
Total assets	7,025,670	7,525,726	35,828,348	65,762,820	3,998,326
Bonds and other long-term liabilities payable from operating revenues		1,450,000			
Total equity	6,730,604	5,719,966	34,884,675	64,889,036	3,834,385

	Department of Agriculture and Commerce		Department of Corrections		
	(j) Division of Lime	(k) Farmers' Central Market Board	(l) Prison Industries	(m) Restaurants	(n) Commissary
Operating revenues	$	$ 317,445	$ 391,871	$ 264,837	$ 1,917,442
Depreciation and amortization		34,305	67,066	2,730	7,407
Operating income (loss)		47,873	(703,516)	(26,123)	135,288
Operating transfers in		7,277	362,782	19,043	13,238
Operating transfers out		(11)			(71,984)
Nonoperating revenues				2,194	42,613
Nonoperating expenses		4,342		195	8,402
Net income (loss)		50,797	(340,734)	(5,081)	110,753
Current capital contributions					
Property, plant and equipment:					
Additions		9,885	133,631	149	83,418
Deletions		109		195	8,402
Net working capital		(14,245)	531,492	33,740	259,141
Total assets	64	1,033,925	1,651,356	96,728	499,920
Bonds and other long-term liabilities payable from operating revenues		44,373			
Total equity		924,561	1,314,979	78,231	359,460

The following types of goods or services are provided by the enterprise funds:

(a) Economic development loans to small businesses and loan guarantees
(b) State fair and coliseum activities
(c) Loans to municipalities for water pollution control
(d) Home mortgage loans to veterans
(e) Concessions and ticket sales to sporting events
(f) Port facilities
(g) Residential housing loans for lower and moderate income families
(h) Miscellaneous goods manufactured by blind persons
(i) Loans to Mississippi hospitals for hospital equipment
(j) Lime
(k) Processing, storing and marketing agricultural products
(l) Janitorial supplies, garden produce, firewood, and bindery services
(m) Food services
(n) Groceries
(o) Tree implanting
(p) Federal property distribution
(q) Port facilities
(r) Miscellaneous goods and services provided by handicapped citizens

Port Authority at Gulfport (f)	Mississippi Home Corporation (g)	Department of Human Services Mississippi Industries for the Blind (h)	Mississippi Hospital Equipment and Facilities Authority (i)
$ 4,356,612	$ 37,511,972	$ 16,052,281	$ 8,452,249
842,102	1,023,636	168,641	253,238
(141,775)	(15,513,976)	666,693	(5,952,279)
1,297,000			
284,646	18,359,990	140,928	5,580,266
991,602		734	
448,269	2,846,014	806,887	(372,013)
113,821		198,972	
		734	
2,219,857	146,135,986	6,250,293	68,956,837
18,870,090	573,141,575	8,521,814	172,537,381
13,553,333	516,336,633		160,380,000
3,726,921	28,060,874	7,485,233	1,249,374

Forestry Commission Tree Seedling (o)	Department of Finance and Administration Bureau of Surplus Property (p)	Yellow Creek Inland Port Authority (q)	Department of Human Services Allied Enterprises (r)	Total
$	$ 564,130	$ 536,898	$ 4,839,828	$ 84,234,809
	21,203	273,059		3,343,686
	(667)	(230,461)	(4,701,335)	(23,127,072)
			4,747,006	6,446,346
				(985,064)
		277,037	38,439	28,154,438
		12,305		1,156,996
	(667)	34,271	84,110	9,331,652
				3,170,000
	13,318	137,651		780,519
		3,003		14,048
123,235	302,056	3,223,172	1,643,769	254,031,682
123,235	658,144	6,235,703	1,817,972	905,328,797
				691,764,339
123,235	570,333	6,090,008	1,643,769	167,685,644

Note 16 - Deferred Compensation Plan

The State, for the benefit of its employees, maintains a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees of the State and its political subdivisions, permits participants to defer a portion of their salary until future years, thereby deferring taxation on the portion deferred. The deferred compensation is not available to employees until they are separated from service or face a serious unforeseeable financial emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or his beneficiary) solely the property of the employer (without being restricted to the provisions of benefits under the plan), subject only to the claims of the general creditors of the State and other entities which employ deferred compensation participants. Participants' rights under the plan are equal to those of general creditors of the employers in an amount equal to the fair market value of the deferred account for each participant.

The State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Board of Trustees of the Public Employees' Retirement System, as plan administrator, believes that it is unlikely that the State, counties, municipalities or other participating entities will use the assets to satisfy the claims of general creditors in the future.

At June 30, 1990, total plan assets aggregated $120,270,796. Of this amount, $41,654,904 was applicable to the State while the remaining $78,615,892 represents the assets of other jurisdictions participating in the plan.

Note 17 - Retirement Plans

Plan Description

A. General

In accordance with State statutes, the Public Employees' Retirement System Board of Trustees (System) administers the State's three defined benefit plans. Those plans are the Mississippi Public Employees' Retirement System (PERS), a cost-sharing multiple-employer public employee retirement system established in 1953, the Mississippi Highway Safety Patrol Retirement System (MHSPRS), a single-employer public employee retirement system established in 1958, and the Supplemental Legislative Retirement Plan (SLRP), a single-employer public employee retirement system established in 1989. Any political subdivision or juristic entity within the State of Mississippi may elect to have its employees covered by PERS.

On July 1, 1987, as a result of certain legislation, the System assumed responsibility for administration of the Municipal Retirement System (MRS), an agent multiple-employer defined benefit public employee retirement system. MRS is composed of 19 separate municipal retirement and fire and police disability and relief systems. MRS net assets available for benefits (aggregating $82,313,298) are included in the accompanying financial statements. The State neither contributes to this plan nor assumes any liability for benefits payable to members but does have the duty of due care required of an ordinary prudent investor.

PERS, MHSPRS, MRS and SLRP are considered part of the State of Mississippi's financial reporting entity and are included in the accompanying financial statements as pension trust funds in the trust and agency fund type. The purpose of these plans is to provide pension benefits for all State employees, uniformed officers of the State highway patrol, other public employees whose employers have elected to participate, and elected members of the State Legislature and the president of the Senate.

A summary of government employers participating in PERS and active PERS members by employer type at June 30, 1990 follows:

	PERS	
	Employers	Members
State departments	113	29,713
State universities	10	13,374
Public schools	139	55,315
Community/Junior colleges	16	4,216
Counties	92	8,914
Municipalities	211	12,506
Other political subdivisions	168	5,135
Total	749	129,173

At June 30, 1990, PERS, MHSPRS, MRS and SLRP membership consisted of:

	PERS					
	State	Others	Total	MHSPRS	MRS	SLRP
Retirees and beneficiaries of deceased retirees currently receiving benefits and terminated employees	27,044	54,481	81,525	449	1,777	
Active Employees:						
Vested	26,474	57,952	84,426	418	324	143
Nonvested	16,613	28,134	44,747	128	818	33
Total Active Employees	43,087	86,086	129,173	546	1,142	176
Total Participants	70,131	140,567	210,698	995	2,919	176

B. Membership and Benefit Provisions

Public Employees' Retirement System: Membership in PERS is a condition of employment; eligibility is granted upon hiring for all State department and university employees if the employee is less than 60 years of age. If an employee is over age 60, membership is optional. For those employed by the political subdivisions and instrumentalities of the State, membership is contingent upon the System's Board of Trustees' approval of the entity's participation in the plan. If approved, membership is a condition of employment and eligibility is granted upon hiring.

Participating employees who retire at or after age 60 with four years of credited service or those who retire regardless of age with at least 30 years of credited service or those who have attained age 55 with at least 25 years of credited service are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 1-7/8% of their average compensation, as defined, for each year of credited service up to and including 30 years and 2% for each year of credited service over 30 years. Average compensation is the average of the employee's earnings during the four highest compensated consecutive years of credited service. Employees less than age 55 with 25 to 29 years of credited service may retire and receive a retirement benefit actuarially reduced for each year of service below 30 years. A member may elect an option for a reduced allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of four years of credited service. PERS also provides certain death and disability benefits.

Retirees and beneficiaries who on December 1 of each year are receiving a retirement allowance are entitled to an additional payment equal to the annual percentage change in the consumer price index not to exceed 2-1/2% of the annual retirement allowance for each full fiscal year of retirement. These persons also may receive an additional amount, as determined by the System's Board of Trustees (contingent on sufficient funding), calculated in increments of 1/4 of 1%, not to exceed 1-1/2% of the annual retirement allowance for each full year of retirement. For the year ended June 30, 1990, the total additional annual payments of $31,314,763 were related entirely to the change in the consumer price index. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense; the State incurs no expense for post-employment health benefits.

Mississippi Highway Safety Patrol Retirement System: Membership in MHSPRS is a condition of employment; eligibility is granted upon hiring for all officers of the Mississippi Highway Safety Patrol who have completed a course of instruction in an authorized highway patrol training school on general law enforcement and who serve as uniformed officers of the Highway Patrol in the enforcement of the traffic laws of the State of Mississippi or in the drivers' license division.

Participating employees who withdraw from service at or after age 55 with at least five years of credited service or those who retire regardless of age with at least 30 years of credited service are entitled to an annual retirement allowance, payable monthly for life, in an amount equal to 2-1/2% of their average compensation for each year of credited service. Average compensation is based on earnings during the four most highly compensated consecutive years of credited service. Employees with at least 20 years of credited service may retire between ages 45 and 54 and receive a reduced retirement benefit. Benefits vest upon reaching five years of credited service. MHSPRS also provides certain death and disability benefits.

Retirees and beneficiaries who on December 1 of each year are receiving a retirement allowance are entitled to an additional payment equal to the annual percentage change in the consumer price index not to exceed 2-1/2% of the annual retirement allowance for each full fiscal year of retirement. These persons also may receive an additional amount, as determined by the System's Board of Trustees (contingent on sufficient funding), calculated in increments of 1/4 of 1%, not to exceed 1-1/2% of the annual retirement allowance for each full year of retirement. For the year ended June 30, 1990, the total additional annual payments of $669,954 were related entirely to the change in the consumer price index. Retirees and beneficiaries have the option of maintaining health and other coverage at their own expense; the State incurs no expense for post-employment health benefits.

Municipal Retirement System: Membership in the two municipal retirement systems and the 17 fire and police disability and relief systems is granted to all municipal employees, firemen, and policemen who are not already members of PERS and who were hired prior to March 1, 1976. Two fire and police systems elected to extend the eligibility period for membership to July 1, 1987.

Participating employees who retire regardless of age with at least 20 years of credited service are entitled to an annual retirement allowance payable monthly, in an amount equal to 50% of their average monthly compensation and an additional 1.7% for each year of credited service over 20 years not to exceed 66-2/3% of average monthly compensation. Average monthly compensation for the two municipal retirement systems is the monthly average for the last two years for one and the last six months for the other. Average monthly compensation for the 17 fire and police disability and relief systems is the monthly average for the last six months of service. Certain participating employers provide a minimum monthly retirement allowance. Benefits vest upon reaching 20 years of credited service. MRS also provides certain death and disability benefits.

For certain employers, the retirees and beneficiaries who on December 1 of each year are receiving a retirement allowance may be entitled to an additional payment equal to the annual percentage change of the consumer price index not to exceed 2-1/2% of the annual retirement allowance for each full fiscal year of retirement. These additional payments will only be made when funded by the employers. Payments are scheduled to begin in December 1990.

Supplemental Legislative Retirement Plan: Membership in SLRP is composed of all elected members of the State Legislature and the president of the Senate. This plan is designed to supplement and is in addition to the provisions of PERS. Those serving when the supplemental plan went into effect July 1, 1989 had 30 days to waive membership. Those elected after July 1, 1989 will automatically become members.

The retirement allowance shall consist of 50% of an amount equal to the retirement allowance determined by creditable service as an elected senator or representative of the State Legislature or as president of the Senate payable by PERS. However, in no case shall the aggregate amount of the retirement allowance from SLRP and PERS exceed 100% of the average compensation. Benefits vest upon completion of four years of credited service. SLRP also provides certain death and disability benefits.

C. Employee and Employer Obligations to Contribute

Employees covered by PERS and MHSPRS are required to contribute 6.5% of their compensation. Members of SLRP are required to contribute an additional 3% of their compensation. If an employee covered by PERS or SLRP leaves employment, accumulated employee contributions plus allocated annual investment earnings are refunded to the employee upon request. The investment earnings allocation rate was 5% for 1990. Interest earnings are not allocated for MHSPRS accumulated employee contributions. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and investment earnings allocations are paid to the designated beneficiary. Each employer contributes the remaining amounts necessary to finance the plans. Benefits and contribution provisions are established by State law and may be amended only by the Mississippi Legislature.

Employees covered by MRS are required to contribute amounts varying from 7% to 10% of their salary, depending on the actuarial soundness of their respective plans. Any increase to the 7% base contribution rate is made in increments not to exceed 1% per year. If an employee leaves covered employment, accumulated employee contributions are refunded to the employee upon request. Employees covered by MRS do not receive an interest earnings allocation on their accumulated contributions. Each employer contributes the remaining amounts necessary to finance participation of its own employees in MRS. Benefits and contribution provisions are established by State law and may be amended only by the Mississippi Legislature.

D. Funding Status and Progress

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. This measure, which represents the actuarial present value of credited projected benefits, is intended to help readers assess PERS, MHSPRS, MRS and SLRP funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among other retirement systems. The measure is independent of the actuarial funding method used to determine contributions to the plans as discussed in Contributions Required and Contributions Made.

The pension benefit obligation was determined based on an actuarial valuation at June 30, 1990 for PERS, MHSPRS and SLRP and September 30, 1989 for MRS. Significant actuarial assumptions used to compute the pension benefit obligation include: (a) a rate of return on investment of present and future assets of 8% per year compounded annually, (b) projected salary increases graduated by age from 5% to 10% per year compounded annually for PERS and MHSPRS and 6% for MRS members regardless of age (of which 5% is attributable to inflation and the remainder attributable to merit for all plans), (c) annual retirement cost of living increases of 2-1/2% (none for MRS), and (d) life expectancies before and after retirement based on the 1951 Group Annuity Mortality Table for MHSPRS and MRS members, the 1982 George B. Buck Teachers Mortality Table for female teachers participating in PERS, and the 1971 Group Annuity Mortality Table for all other PERS and SLRP members.

At June 30, 1990, the plans' unfunded pension benefit obligations were as follows:

	PERS	MHSPRS	MRS	SLRP	TOTAL
Pension benefit obligation:					
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 2,087,034,000	$ 70,749,000	$ 133,853,000	$	$ 2,291,636,000
Current employees:					
Accumulated employee contributions including allocated investment income	1,218,855,000	7,110,000	20,032,000	130,000	1,246,127,000
Employer-financed vested	699,312,000	9,899,000	29,810,000	1,551,000	740,572,000
Employer-financed nonvested	1,944,549,000	20,952,000	56,953,000	1,544,000	2,023,998,000
Total pension benefit obligation	5,949,750,000	108,710,000	240,648,000	3,225,000	6,302,333,000
Net assets available for benefits, at cost (Market Value-PERS $4,427,299,256; MHSPRS $102,433,696; MRS $89,713,082; SLRP $469,476)	4,061,772,800	93,965,901	82,313,298	431,333	4,238,483,332
Unfunded pension benefit obligation	$ 1,887,977,200	$ 14,744,099	$ 158,334,702	$ 2,793,667	$ 2,063,849,668

E. Effects of Current Year Changes on Pension Benefit Obligation and Contribution Requirements

Actuarial valuations of PERS, MHSPRS and SLRP are performed at least once in each two-year period as of June 30, the most recent as of June 30, 1990. An actuarial valuation of MRS is performed at least once in each four-year period as of September 30, the most recent as of September 30, 1989. Each valuation may be affected by changes in actuarial assumptions, benefit provisions, actuarial funding method or other significant factors since the preceding valuation.

Two legislative amendments effective July 1, 1990 were incorporated into the June 30, 1990 valuation for MHSPRS. These amendments included allowing retirement with an unreduced benefit after 25 years of service regardless of age and increasing the monthly retirement allowance by 10% for retirees who retired prior to July 1, 1990. These changes resulted in a $7,854,000 increase in the MHSPRS pension benefit obligation and an increase from 11 to 18 years in the MHSPRS liability liquidation period. However, these changes in benefit provisions did not result in an increase in contribution requirements. There were no other significant changes in actuarial assumptions, benefit provisions, actuarial funding methods or other factors for the year ended June 30, 1990.

F. Contributions Required and Contributions Made

Funding policies for PERS, MHSPRS and SLRP provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal actuarial funding method. This method produces an employer contribution rate consisting of (a) normal cost (the level percentage of pay over the service life of an employee that is sufficient to pay benefits when due) and (b) amortization of the unfunded actuarial accrued liability. Actuarial valuations prepared as of June 30, 1990, the most recent valuation date, indicate that the unfunded liability liquidation periods of PERS, MHSPRS and SLRP are 29, 18 and 26 years, respectively, under the level percentage of payroll method.

Under the provisions of the plans, substantially all employees of employers participating in PERS, MHSPRS and SLRP are covered by the plans. Therefore, total payroll approximates covered payroll. Total covered payrolls for the year ended June 30, 1990 aggregated $2,394,068,730, $12,711,570 and $4,310,164 for PERS, MHSPRS and SLRP, respectively.

Contributions for PERS, MHSPRS and SLRP were made in accordance with actuarially determined contribution requirements. Plan contributions for all participants for the year ended June 30, 1990 consisted of:

	PERS		MHSPRS		SLRP	
	Amount	Percentage of current covered payroll	Amount	Percentage of current covered payroll	Amount	Percentage of current covered payroll
Contributions:						
Employees' contribution	$ 158,316,663	6.50%	$ 829,809	6.50%	$ 129,421	3.00%
Employers' contribution	224,460,415	9.75%*	3,555,409	27.97%	273,067	6.33%
Total contributions	$ 382,777,078	16.25%*	$ 4,385,218	34.47%	$ 402,488	9.33%
Contribution Allocations:						
Normal cost	$ 252,514,976	10.72%	$ 2,739,511	21.53%	$ 230,279	5.33%
Amortization of unfunded actuarial accrued liability	130,262,102	5.53%	1,645,707	12.94%	172,209	4.00%
Total contributions	$ 382,777,078	16.25%	$ 4,385,218	34.47%	$ 402,488	9.33%

*The PERS employer contribution rate effective for the period July 1, 1989 to December 31, 1989 was 8.75%. Beginning January 1, 1990, the rate increased to 9.75%.

Significant actuarial assumptions used to compute contribution requirements for PERS, MHSPRS and SLRP are the same as those used to compute the standardized measure of the pension benefit obligation described in Funding Status and Progress. Total State and State employee contributions to PERS for 1990 aggregated $79,197,364 and $55,609,324, respectively. The State's contribution represented 35.28% of the total contributions required of all entities participating in the PERS.

Funding policies for MRS, established by Mississippi statutes, provide for a property tax to be levied within each municipality and deductions from salaries of members, at rates sufficient to make the system actuarially sound by July 1, 2000. However, Mississippi statutes limit any increase in the levy for pension contribution to one-half mill per year. This provision limits the effect of actuarially determined contribution requirements.

An actuary is used to determine the implications of the statutorily defined contribution levels. At June 30, 1990, the aggregate contributions for MRS were equivalent to 44.19% of current covered payroll, based on the entry age actuarial cost method. Contributions at these rates would liquidate the unfunded accrued liability over approximately 25 years, based on the assumption that the dollar amount of accrued liability contribution would increase by 5% annually.

At year end, the employer contribution millage rates required for each municipality ranged from 1.5 to 8.0 mills, totaling $11,697,339 in actual contributions. The employee contribution rates ranged from 7% to 10% of covered payroll, totaling $2,682,555 in actual contributions.

G. Historical Trend Information

Ten-Year

Historical trend information designed to provide information about progress made by PERS, MHSPRS, MRS and SLRP in accumulating sufficient assets to pay benefits when due is presented in the separately issued Component Unit Financial Report of the Public Employees' Retirement System for 1990.

Three-Year

The following table provides an analysis of funding progress for MHSPRS for the last three fiscal years and for SLRP, a plan established in 1989, for the year ended June 30, 1990:

	MHSPRS			SLRP
	1990	1989	1988	1990
Net assets available for benefits as a percentage of pension benefit obligation	86.4%	90.9%	86.7%	13.4%
Unfunded pension benefit obligation as a percentage of annual covered payroll	116.0%	68.7%	106.5%	64.8%
Employer contributions as a percentage of annual covered payroll	27.97%	26.16%	26.16%	6.33%

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of MHSPRS and SLRP funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made by MHSPRS and SLRP in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the system.

Note 18 - Commitments

A. Operating Leases

The State of Mississippi has entered into numerous agreements to lease land and buildings which are classified as operating leases. These agreements generally contain the provision that, at the expiration date of the lease, the State may renew the operating lease on a month-to-month basis. It is expected that in the normal course of business most of these leases will be renewed or replaced by similar leases. Future minimum commitments due under operating leases for land and buildings as of June 30, 1990 were as follows:

Year Ending June 30	Amount
1991	$ 7,114,337
1992	5,024,255
1993	3,542,071
1994	2,539,381
1995	1,391,781
Thereafter	2,405,858
Total Minimum Commitments	$ 22,017,683

Expenditures for rental of land and buildings under operating leases for the year ended June 30, 1990 amounted to $8,948,934.

B. Contracts

At June 30, 1990, the Highway Department had long-term contracts outstanding of approximately $353,414,471 with performance continuing during fiscal year 1991. These contracts will be paid through the General Fund. Approximately 53% of future expenditures related to these commitments are expected to be reimbursed from proceeds of federal grants when the actual costs are incurred. The remaining portion will be funded by specific gasoline taxes.

The State Aid Road Division had long-term contracts of $25,572,821 outstanding at June 30, 1990 for construction of state and county roads. These contracts will be paid through the General Fund primarily from specific tax levies. The Bureau of Building, Grounds and Real Property Management had outstanding construction contracts of $7,254,283 at June 30, 1990. These contracts will be paid from capital projects funds.

Certain universities have contracted for the construction of various facilities. At June 30, 1990, contracts of $25,504,414 were outstanding. These will be paid through the university funds from bond proceeds, transfers from capital projects funds and plant fund revenues.

Note 19 - Contingencies

A. **Federal Grants** - The State has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from an audit may become a liability of the State. The State estimates that the ultimate disallowance pertaining to these grants, if any, will be immaterial to its overall financial condition.

B. **Litigation** - The State has several actions filed against it by out-of-state insurance companies to seek substantial tax refunds. The parties have agreed to hold any major proceedings in these cases in abeyance until further guidance can be obtained from a case in the courts of another state. If the court should rule that collection of the tax was unconstitutional, the tax rate by statute shall be increased 1% for a period of six years to fund any losses. In addition, the State has an action filed against it by the American Trucking Association which challenges the State's taxing structure and seeks substantial tax refunds. The outcome of this case is indeterminable at this time.

The State is party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the State with respect to the various proceedings; however, the State's legal counsel believes that any ultimate liability resulting from these lawsuits will not have a material adverse effect on the financial condition of the State.

Note 20 - Subsequent Events

During 1990, the State of Mississippi has experienced lower than anticipated revenues, primarily related to corporate and personal income taxes. Therefore, the State Bond Commission authorized borrowings aggregating $100,942,669 from special fund monies for General Fund operations. Monies are also available from the Working Cash Balance Revolving Fund which totaled $38,623,158.

At December 21, 1990, the General Fund has borrowings outstanding of $85,623,158. Of this amount, $47,000,000 is from special funds and $38,623,158 is from the Working Cash Balance Revolving Fund. Similar borrowings and subsequent repayments have occurred since September 1989. All such borrowings had been repaid as of June 30, 1990. On August 3, 1990 subsequent borrowings occurred. Additional borrowings are anticipated during fiscal 1991.

As described in Note 2, at the end of October or any month thereafter of any fiscal year, if General Fund revenues collected for the fiscal year fall below 98% of the estimate adopted by the Legislative Budget Office at the date of sine die adjournment, the Department of Finance and Administration is required by statute to reduce allotments of appropriations to general fund agencies by the amounts necessary to keep expenditures within the actual General Fund receipts for the fiscal year.

In October 1990, in order to reduce spending in compliance with the requirement, the Governor ordered spending cuts of $28,188,618. During November, the State Personnel Board enacted a temporary hiring freeze. Additional budget cuts may be required if revenue short falls persist.

MISSISSIPPI MOBILE LEARNING LAB:

Providing state-of-the-art delivery of the most effective work force literacy software available.

The Mississippi Office for Literacy is leading the way in improving the basic skills of the work force by the implementation of the Mississippi Mobile Learning Lab. One primary goal of the Office for Literacy is to assist in the development of strong basic math and reading skills in the Mississippi work force. Through the use of the learning lab, this goal is being reached.

The learning lab is designed to provide state-of-the-art delivery of the most effective work force literacy software available in the areas of basic literacy skills training, including reading and math in a work force context, employability skills training, pre-employment training and computer software management training. Target participants include unemployed and under-employed workers, dislocated workers, welfare recipients, under-educated adults and on-the-job workers. The lab addresses the individual needs of all participants and the industries where they work or where they would like to work. The advanced technology of the lab provides a method of delivery that is adult oriented and capitalizes on the strong motivational aspects of computer assisted instruction.

The lab, a converted 18-wheeler, is totally portable providing accessibility to business and industry locations as well as community meeting sites. Specialized features of the lab include 12 computer work stations geared for individual instruction through the use of video, hard copy text and computer assisted instructions.

In the Mobile Learning Lab, up to 12 students can participate at one time, with each working at his or her own pace. Maximum operating capacity for the unit is 10 hours a day for a five-day week. The lab can provide 20 hours of instruction to 1,440 adults at 12 different locations per year.

Funding for the learning lab is the result of a partnership under the leadership of the Office for Literacy. Partners include Frito-Lay, which donated the tractor-trailer; Dean, Dale and Dean Architects of Jackson, which provided the renovation plans and the drawings; the Tennessee Valley Authority, the Appalachian Region Commission and the Job Training Partnership Act, which funded grants for the renovation of the trailer and for the purchase of the technology for use in adult basic skills improvement.

continued on page 102

MISSISSIPPI Mobile Learning Lab

General Fund

The General Fund accounts for resources obtained and used for those services traditionally provided by state government which are not required to be accounted for in another fund.

Balance Sheet
June 30, 1990

	June 30, 1990	June 30, 1989
Assets:		
Cash and cash equivalents	$ 378,603,305	$ 558,426,616
Investments	172,187,531	77,100,004
Receivables, net:		
Taxes	195,601,472	187,048,285
Interest	11,412,141	10,499,859
Other	14,772,608	15,884,540
Due from other governments	125,309,904	96,041,354
Interfund receivables	8,370,465	3,174,055
Food stamp inventory	134,596,876	104,419,054
Inventories	33,264,502	34,526,005
Loans and notes receivable	44,839,689	21,258,499
Loans to other funds	45,623	69,453
Total Assets	$ 1,119,004,116	$ 1,108,447,724
Liabilities:		
Warrants payable	$ 84,625,826	$ 78,213,896
Accounts payable and accruals	159,807,065	126,792,277
Income tax refunds payable	64,149,145	60,000,000
Due to other governments	72,404,790	102,233,868
Interfund payables	18,391,799	12,565,311
Deferred revenues	154,874,663	119,137,592
Loans from other funds	925,720	925,720
Total Liabilities	555,179,008	499,868,664
Fund Balance:		
Reserved for:		
Encumbrances	12,834,505	17,131,911
Inventories	33,264,502	34,526,005
Long-term portion of loans and notes receivable	43,652,793	20,805,683
Unreserved:		
Designated for debt service	9,062,346	8,577,857
Designated for road and highway construction	235,789,221	204,173,297
Designated for other specific purposes	116,299,468	88,910,287
Undesignated	112,922,273	234,454,020
Total Fund Balance	563,825,108	608,579,060
Total Liabilities and Fund Balance	$ 1,119,004,116	$ 1,108,447,724

General Fund

Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balance For the Year Ended June 30, 1990

	For the Year Ended	
	June 30, 1990	June 30, 1989
Revenues:		
Taxes:		
Sales and use	$ 1,094,136,211	$ 1,036,728,598
Gasoline	293,251,592	281,006,625
Motor fuel and privilege	42,652,735	42,890,469
Motor vehicle registration	27,648,240	27,278,395
Individual income	429,846,728	404,416,608
Alcoholic beverage	36,906,676	36,202,654
Corporate income and franchise	160,669,921	190,448,101
Severance	45,318,586	45,394,481
Inheritance	10,256,312	13,374,950
Tobacco	50,538,866	53,166,607
Insurance	87,496,307	90,547,506
Nuclear power	19,193,410	19,196,320
Other	5,792,197	5,208,740
Licenses, fees and permits:		
User fees	14,640,996	15,554,527
Drivers' licenses	11,393,671	9,520,497
Other	16,015,815	16,048,093
Federal government	1,423,387,299	1,269,510,993
Interest	57,660,504	54,352,472
Charges for services:		
Intergovernmental	6,524,778	5,891,771
Non-state government	150,089,107	143,184,879
Rentals	5,224,365	5,107,168
Other	43,954,851	32,154,563
Total Revenues	4,032,599,167	3,797,185,017
Expenditures:		
Current:		
General government	492,869,911	479,134,941
Education	1,263,252,801	1,172,541,412
Health and social services	1,374,336,860	1,222,193,892
Law, justice and public safety	157,237,588	140,450,002
Recreation and resources development	70,969,736	62,773,240
Transportation	378,542,072	371,904,402
Debt service:		
Principal	11,431,117	21,198,005
Interest and other fiscal charges	15,558,765	11,647,026
Total Expenditures	3,764,198,850	3,481,842,920
Excess of Revenues over Expenditures	268,400,317	315,342,097
Other Financing Sources (Uses):		
Proceeds of notes and bonds issued	24,490,000	22,546,417
Proceeds of capital leases	614,116	4,620,548
Operating transfers in	49,838,973	52,474,929
Operating transfers out	(390,682,311)	(379,191,958)
Net Other Financing Uses	(315,739,222)	(299,550,064)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(47,338,905)	15,792,033
Fund Balance July 1	608,579,060	589,278,404
Residual Equity Transfer In	5,648,692	
Residual Equity Transfer Out	(1,802,236)	
Increase (Decrease) in Reserve for Inventories	(1,261,503)	3,508,623
Fund Balance June 30	$ 563,825,108	$ 608,579,060

General Fund

Schedule of Current Expenditures by Function and Department
For the Year Ended June 30, 1990

	For the Year Ended June 30, 1990	For the Year Ended June 30, 1989
General Government:		
Legislative (includes Legislative Budget Office and Legislative Office of Performance Evaluation and Expenditure Review)	$ 12,397,941	$ 11,737,417
Governor's Office and Mansion	2,503,308	2,471,720
Secretary of State	4,039,550	3,683,716
Department of Audit	8,149,078	8,277,964
Department of Finance and Administration	19,694,967	13,602,406
Treasurer	1,573,856	1,078,898
Tax Commission	205,382,933	202,320,693
Department of Archives and History	4,417,489	4,290,883
Department of Insurance	2,623,247	2,576,355
National Guard Aircraft Pool	712,374	4,792,293
Diversion to Counties and Cities	229,788,886	222,669,551
Other	1,586,282	1,633,045
Total General Government	492,869,911	479,134,941
Education:		
Department of Education	1,170,395,359	1,084,754,482
Junior Colleges	73,025,271	68,721,658
Authority for Educational Television	7,049,831	6,537,850
Department of Human Services - Rehabilitation for the Blind	6,830,957	6,774,109
Library Commission	5,951,383	5,753,313
Total Education	1,263,252,801	1,172,541,412
Health and Social Services:		
Department of Health	120,805,110	110,568,029
Division of Medicaid (Governor's Office)	579,664,901	468,511,891
Department of Mental Health and Related Institutions	148,317,400	151,152,230
Department of Human Services	520,118,603	488,581,861
Other	5,430,846	3,379,881
Total Health and Social Services	1,374,336,860	1,222,193,892
Law, Justice and Public Safety:		
Attorney General	10,013,841	5,528,050
Circuit and Chancery Judges and District Attorneys	14,597,789	13,302,361
Department of Corrections	74,623,203	64,116,887
Department of Human Services - Youth Services	10,266,809	10,193,606
Military Department	3,200,323	3,190,727
Department of Public Safety	34,561,028	34,663,018
Bureau of Narcotics	4,799,726	4,781,240
Supreme Court	3,870,877	2,907,044
Other	1,303,992	1,767,069
Total Law, Justice and Public Safety	157,237,588	140,450,002
Recreation and Resources Development:		
Department of Agriculture and Commerce	7,790,507	7,751,243
Department of Economic and Community Development	12,248,297	9,175,998
Forestry Commission	22,730,243	22,680,333
Department of Environmental Quality	15,241,870	21,026,399
Other	12,958,819	2,139,267
Total Recreation and Resources Development	70,969,736	62,773,240
Transportation:		
Highway Department	343,620,786	321,159,736
State Aid Road Division	34,921,286	50,744,666
Total Transportation	378,542,072	371,904,402
Total Expenditures by Function and Department	$ 3,737,208,968	$ 3,448,997,889

Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Significant Special Revenue Funds Descriptions

The numerous special revenue funds used by the State have been grouped by organizational unit and combined into specific functions.

General Government

Department of Finance and Administration	**Court Assessments and Settlements Fund** - accounts for monies received as a result of a court assessment to provide restitution to overcharged customers. Transfers from these funds are restricted to programs providing conservation and assistance benefits to energy consumers.
Emergency Management	**Emergency Management Fund** - accounts for grant monies received from the federal government and transfers from the General Fund. Expenditures are restricted by the various grant agreements but all pertain to emergency management programs and their administration.

Health and Social Services

Department of Human Services	**Community Services Fund** - accounts for federal grant monies received to provide various community services in accordance with program requirements. **Rehabilitation Services Fund** - accounts for federal and state monies used to provide vocational rehabilitation programs for the handicapped. **Disability Determination Fund** - accounts for funds received from the federal government for the specific purpose of evaluating applicants for Social Security benefits consistent with laws and regulations pertaining to disability eligibility.
Department of Mental Health	**Alcohol and Drug Abuse Program Fund** - accounts for a three percent tax on alcoholic beverages collected by and transferred from the General Fund for the purpose of administering drug and alcohol abuse treatment and rehabilitation programs. Expenditures consist primarily of grants for regional alcohol treatment programs, vocational rehabilitation services, inpatient treatment programs, and alcohol rehabilitation programs for the Department of Corrections.
Employment Security Commission	**Employment Services Fund** - accounts for monies received from the federal government for administering the Unemployment Compensation Act.

Law, Justice and Public Safety

Department of Corrections	**Community Services Fund** - provides alternative diversionary programs which subject individuals to the minimum supervision and control that the inmate requires in lieu of incarceration within the penitentiary. Revenue is provided by probation release fees.
Department of Public Safety	**Public Safety Planning Fund** - accounts for federal grant monies received to provide for criminal justice planning.
Military Department	**Camp Shelby Timber Fund** - accounts for funds received from sale of timber, mineral leases on lands, and store sales. Expenditures are for the maintenance of Camp Shelby.
	Facility Maintenance and Operation Fund - accounts for monies received from the federal government to maintain, expand, and improve armory facilities within the State.
	Camp Shelby Base Operation Fund - accounts for federal monies received for the specific purpose of training troops.
	Air National Guard Training Site Operation Fund - accounts for federal monies used primarily to pay the salaries of state employees working at the Gulfport Air National Guard training site.

Recreation and Resources Development

Department of Agriculture and Commerce	**Rice and Soybean Promotion Fund** - accounts for fees charged for the sale of rice and soybeans. This revenue is expended to promote the rice and soybean industries, through research, education, and advertising.
Department of Economic and Community Development	**Community Development Fund** - accounts for federal grant monies received to provide various community development programs including job development and training.
Oil and Gas Board	**Oil and Gas Board Fund** - accounts for fees imposed on producing wells, drilling, and operations. Funds are used to protect public and private interests against waste in the production and use of oil and gas, to obtain full development in oil production within the State, and to maintain records of all oil and gas wells drilled and producing.
Department of Wildlife, Fisheries and Parks	**Bureau of Fisheries and Wildlife Fund** - accounts for expenditures of enforcing laws for the preservation and protection of the State's wildlife resources and enhancing their environments. Additional responsibilities and expenses of this bureau and fund are enforcement of boating safety on state lakes and streams and enforcement of hunter safety. The Bureau of Fisheries and Wildlife Fund also shares in administrative costs of the Department of Wildlife Conservation through operating transfers to the administrative fund. Revenues are derived from the sale of hunting and fishing licenses, fees, and permits.
	Motor Vehicle Fund - accounts for the purchase of motor vehicles for the Department of Wildlife Conservation and Marine Resources. Funding is provided primarily from eight percent of the proceeds from the sale of hunting and fishing licenses, fees, and permits.

Bureau of Marine Resources Fund - accounts for expenditures of conserving and protecting marine resources and of administering coastal zone, liaison, and statistical programs as directed by the National Office of Marine Fisheries. Funding is provided by transfers from the General Fund and by federal grants.

Regulation of Business and Professions

Public Service Commission

Public Service Commission Fund - accounts for the costs of regulating all for-hire transportation and communication, electric, gas, water and sewer utilities. Revenue is derived principally from motor carrier application and registration fees and utilities tax assessments.

Workers' Compensation Commission

Workers' Compensation Commission Fund - accounts for expenditures relating to administering the provisions of the Mississippi Workers' Compensation Law, which include cooperating with other state and federal authorities for the prevention of injuries and occupational diseases and, in the event of such injuries and diseases, coordinating the rehabilitation or restoration to health and vocational opportunity of the affected worker.

Department of Banking and Consumer Finance

Bank Supervision Administrative Fund - accounts for assessment fees charged to banks to fund the regulation and supervision of banks operating within the State.

Consumer Finance Fund - accounts for funds collected in the examining and licensing of motor vehicle finance organizations and small loan organizations.

Other Regulatory Agencies

Other Regulatory Agencies Fund - provides for the control and regulation of various professions by boards and commissions established for this purpose. Revenue is provided by examination and license renewal fees. Each board or commission has its own account within this fund to account for its operation.

Transportation

Department of Economic and Community Development

Energy and Transportation Fund - accounts for state and federal monies and other revenues used to coordinate the State's energy and transportation activities, needs, and programs and to develop a statewide transportation system.

Railroad Loan Fund - accounts for loans made to railways to revitalize the railroad industry. Funding is provided by loan repayments and interest.

Special Revenue Funds

Combining Balance Sheet
June 30, 1990

	General Government	Education	Health and Social Services	Law, Justice and Public Safety
Assets:				
Cash and cash equivalents	$ 6,764,757	$ 449,157	$ 11,257,265	$ 3,748,511
Investments	7,862,067	165,132		
Receivables, net:				
Interest	91,695	4,591		622
Other	17,013	545	529,414	7,804
Due from other governments	253,789	750	4,686,232	761,299
Interfund receivables	15,650	73,809	3,215,741	326
Inventories			164,339	909,436
Loans and notes receivable				
Total Assets	$ 15,004,971	$ 693,984	$ 19,852,991	$ 5,427,998
Liabilities:				
Warrants payable	$ 524,582	$ 7,209	$ 5,423,874	$ 966,424
Accounts payable and accruals	614,559	13,221	3,211,616	973,028
Due to other governments	1,127,433	20,380	160,953	17,165
Interfund payables	35,136	4,688	1,240,246	284,424
Deferred revenues			5,064,660	481,427
Loans from other funds			104,970	
Total Liabilities	2,301,710	45,498	15,206,319	2,722,468
Fund Balances (Deficit):				
Reserved for:				
Encumbrances	61,515		1,390,158	738,998
Inventories			164,339	909,436
Long-term portion of loans and notes receivable				
Unreserved:				
Designated for other specific purposes		417,527		
Undesignated	12,641,746	230,959	3,092,175	1,057,096
Total Fund Balances (Deficit)	12,703,261	648,486	4,646,672	2,705,530
Total Liabilities and Fund Balances	$ 15,004,971	$ 693,984	$ 19,852,991	$ 5,427,998

Recreation and Resources Development	Regulation of Business and Professions	Transportation	Totals	
			June 30, 1990	June 30, 1989
$ 13,908,455	$ 17,010,253	$ 10,174,452	$ 63,312,850	$ 78,589,935
405,522	67,074	4,947,757	13,447,552	400,928
25,402	19,761	100,069	242,140	261,191
84,162	6,144		645,082	388,873
17,058,342	399,782	291,075	23,451,269	17,465,327
532,256	2,078,711	231,631	6,148,124	4,577,443
92,936	5,087		1,171,798	1,067,287
		1,735,497	1,735,497	1,140,120
$ 32,107,075	$ 19,586,812	$ 17,480,481	$ 110,154,312	$ 103,891,104
$ 4,047,399	$ 793,750	$ 246,642	$ 12,009,880	$ 11,157,282
12,158,647	370,043	630,440	17,971,554	5,375,149
60		235,196	1,561,187	8,447,204
4,482,271	94,769	276,328	6,417,862	5,903,027
3,369,796	3,151,742		12,067,625	9,052,961
			104,970	120,095
24,058,173	4,410,304	1,388,606	50,133,078	40,055,718
633,579	16,436	979,571	3,820,257	7,093,316
92,936	5,087		1,171,798	1,067,287
		1,346,594	1,346,594	907,792
			417,527	405,592
7,322,387	15,154,985	13,765,710	53,265,058	54,361,399
8,048,902	15,176,508	16,091,875	60,021,234	63,835,386
$ 32,107,075	$ 19,586,812	$ 17,480,481	$ 110,154,312	$ 103,891,104

Special Revenue Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1990

	General Government	Education	Health and Social Services	Law, Justice and Public Safety
Revenues:				
Taxes	$	$	$	$
Licenses, fees and permits	398,310	130,415	231,019	1,213,140
Federal government	5,909,772	143,018	116,551,276	20,639,815
Interest	800,878	43,386	30,029	117,333
Charges for services	2,390	107,109	836,765	807,321
Rental	344,840	9,130	3,504	
Court assessments	3,239,078			
Other	339,547	8,318	1,977,304	1,827,484
Total Revenues	11,034,815	441,376	119,629,897	24,605,093
Expenditures:				
Current:				
General government	11,470,826			
Education		412,819		
Health and social services			120,660,511	
Law, justice and public safety				23,968,981
Recreation and resources development				
Regulation of business and professions				
Transportation				
Debt service:				
Principal				
Interest				
Total Expenditures	11,470,826	412,819	120,660,511	23,968,981
Excess of Revenues over (under) Expenditures	(436,011)	28,557	(1,030,614)	636,112
Other Financing Sources (Uses):				
Proceeds of capital leases				
Operating transfers in	9,122,274	30,683	28,753,613	1,581,638
Operating transfers out	(7,573,176)	(187)	(27,884,853)	(3,318,239)
Net Other Financing Sources (Uses)	1,549,098	30,496	868,760	(1,736,601)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	1,113,087	59,053	(161,854)	(1,100,489)
Fund Balances July 1	11,898,418	589,433	4,848,345	3,642,024
Residual Equity Transfers In				46,328
Residual Equity Transfers Out	(308,244)		(8,411)	
Increase (Decrease) in Reserve for Inventories			(31,408)	117,667
Fund Balances June 30	$ 12,703,261	$ 648,486	$ 4,646,672	$ 2,705,530

Recreation and Resources Development	Regulation of Business and Professions	Transportation	Totals for the Year Ended June 30, 1990	Totals for the Year Ended June 30, 1989
$	$ 177,878	$	$ 177,878	$ 175,000
11,823,176	16,987,104		30,783,164	29,130,826
90,565,765	478,392	3,600,149	237,888,187	225,817,629
473,311	287,028	1,155,673	2,907,638	2,995,633
997,198	32,612	16,126	2,799,521	2,882,098
			357,474	234,624
		306,000	3,545,078	1,801,346
1,083,439	63,019	365,021	5,664,132	2,945,917
104,942,889	18,026,033	5,442,969	284,123,072	265,983,073
			11,470,826	101,459,778
			412,819	390,800
			120,660,511	82,466,313
			23,968,981	16,442,584
76,803,446			76,803,446	23,970,384
	14,854,617		14,854,617	13,462,811
		10,833,347	10,833,347	9,674,037
	65,347		65,347	475,209
	4,981		4,981	68,775
76,803,446	14,924,945	10,833,347	259,074,875	248,410,691
28,139,443	3,101,088	(5,390,378)	25,048,197	17,572,382
				1,557
5,166,221		1,185,371	45,839,800	50,835,673
(33,179,208)	(2,026,101)	(816,485)	(74,798,249)	(80,502,156)
(28,012,987)	(2,026,101)	368,886	(28,958,449)	(29,664,926)
126,456	1,074,987	(5,021,492)	(3,910,252)	(12,092,544)
7,646,491	14,097,308	21,113,367	63,835,386	75,570,098
473,719			520,047	
(211,803)			(528,458)	
14,039	4,213		104,511	357,832
$ 8,048,902	$ 15,176,508	$ 16,091,875	$ 60,021,234	$ 63,835,386

Combining Balance Sheet
General Government
June 30, 1990

	Department of Finance and Administration		
	Court Assessments and Settlements	Budget and Policy Development	Land Leasing
Assets:			
Cash and cash equivalents	$ 1,929,629	$ 556,132	$ 2,814
Investments	7,786,990		
Receivables, net:			
Interest	88,962		
Other			
Due from other governments			
Interfund receivables		15,455	
Total Assets	$ 9,805,581	$ 571,587	$ 2,814
Liabilities:			
Warrants payable	$	$ 326,427	$
Accounts payable and accruals	30,000	81,481	219,636
Due to other governments			
Interfund payables		25,387	
Deferred revenues			
Total Liabilities	30,000	433,295	219,636
Fund Balances (Deficit):			
Reserved for:			
Encumbrances		5,283	
Unreserved:			
Undesignated	9,775,581	133,009	(216,822)
Total Fund Balances (Deficit)	9,775,581	138,292	(216,822)
Total Liabilities and Fund Balances	$ 9,805,581	$ 571,587	$ 2,814

		Totals	
Emergency Management	Other	June 30, 1990	June 30, 1989
$ 3,942,209	$ 333,973	$ 6,764,757	$ 18,484,808
	75,077	7,862,067	194,929
	2,733	91,695	76,546
1,024	15,989	17,013	23,254
253,789		253,789	12,381,245
	195	15,650	319,391
$ 4,197,022	$ 427,967	$ 15,004,971	$ 31,480,173
$ 127,383	$ 70,772	$ 524,582	$ 3,800,978
265,695	17,747	614,559	1,157,247
1,124,260	3,173	1,127,433	8,330,345
9,749		35,136	3,959,823
			2,333,362
1,527,087	91,692	2,301,710	19,581,755
56,232		61,515	142,363
2,613,703	336,275	12,641,746	11,756,055
2,669,935	336,275	12,703,261	11,898,418
$ 4,197,022	$ 427,967	$ 15,004,971	$ 31,480,173

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
General Government
For the Year Ended June 30, 1990

	Department of Finance and Administration		
	Court Assessments and Settlements	Budget and Policy Development	Land Leasing
Revenues:			
Licenses, fees and permits	$	$	$
Federal government		190,201	
Interest	783,485	5,982	
Charges for services			
Rental			344,840
Court assessments	3,239,078		
Other		111,463	
Total Revenues	4,022,563	307,646	344,840
Expenditures:			
Current:			
General government		2,811,162	
Debt service:			
Principal			
Interest			
Total Expenditures		2,811,162	
Excess of Revenues over (under) Expenditures	4,022,563	(2,503,516)	344,840
Other Financing Sources (Uses):			
Operating transfers in		4,679,623	
Operating transfers out	(2,968,322)	(2,100,974)	(344,840)
Net Other Financing Sources (Uses)	(2,968,322)	2,578,649	(344,840)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	1,054,241	75,133	
Fund Balances July 1	8,721,340	371,403	(216,822)
Residual Equity Transfer Out		(308,244)	
Fund Balances June 30	$ 9,775,581	$ 138,292	$ (216,822)

		Totals for the Year Ended	
Emergency Management	Other	June 30, 1990	June 30, 1989
$ 6,000	$ 392,310	$ 398,310	$ 396,936
5,718,671	900	5,909,772	144,133,170
	11,411	800,878	642,034
875	1,515	2,390	137,702
		344,840	220,330
		3,239,078	1,801,346
205,432	22,652	339,547	394,300
5,930,978	428,788	11,034,815	147,725,818
7,895,223	764,441	11,470,826	101,320,239
			421,090
			62,894
7,895,223	764,441	11,470,826	101,804,223
(1,964,245)	(335,653)	(436,011)	45,921,595
4,119,721	322,930	9,122,274	9,985,654
(3,124)	(2,155,916)	(7,573,176)	(58,071,356)
4,116,597	(1,832,986)	1,549,098	(48,085,702)
2,152,352	(2,168,639)	1,113,087	(2,164,107)
517,583	2,504,914	11,898,418	14,062,525
		(308,244)	
$ 2,669,935	$ 336,275	$ 12,703,261	$ 11,898,418

Special Revenue Funds

Combining Balance Sheet
Education
June 30, 1990

		Department of Human Services		Totals	
	Department of Education	Vocational Rehabilitation for the Blind	Other	June 30, 1990	June 30, 1989
Assets:					
Cash and cash equivalents	$ 103,622	$ 81,859	$ 263,676	$ 449,157	$ 372,436
Investments			165,132	165,132	205,999
Receivables, net:					
Interest			4,591	4,591	47
Other	29		516	545	14
Due from other governments			750	750	
Interfund receivables		65,357	8,452	73,809	27,503
Total Assets	$ 103,651	$ 147,216	$ 443,117	$ 693,984	$ 605,999
Liabilities:					
Warrants payable	$ 6,523	$ 686	$	$ 7,209	$ 10,666
Accounts payable and accruals	4,425	2,378	6,418	13,221	440
Due to other governments	20,380			20,380	
Interfund payables	640	214	3,834	4,688	240
Deferred revenues					5,220
Total Liabilities	31,968	3,278	10,252	45,498	16,566
Fund Balances:					
Reserved for encumbrances					10,399
Unreserved:					
Designated for other specific purposes			417,527	417,527	405,592
Undesignated	71,683	143,938	15,338	230,959	173,442
Total Fund Balances	71,683	143,938	432,865	648,486	589,433
Total Liabilities and Fund Balances	$ 103,651	$ 147,216	$ 443,117	$ 693,984	$ 605,999

Special Revenue Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Education
For the Year Ended June 30, 1990

		Department of Human Services		Totals for the Year Ended	
	Department of Education	Vocational Rehabilitation for the Blind	Other	June 30, 1990	June 30, 1989
Revenues:					
Licenses, fees and permits	$ 103,435	$	$ 26,980	$ 130,415	$ 118,764
Federal government	141,518		1,500	143,018	159,949
Interest	2,623	8,654	32,109	43,386	41,814
Charges for services	8,227	70,676	28,206	107,109	42,613
Rental			9,130	9,130	10,790
Other			8,318	8,318	30,544
Total Revenues	255,803	79,330	106,243	441,376	404,474
Expenditures:					
Education	254,809	33,609	124,401	412,819	390,800
Excess of Revenues over (under) Expenditures	994	45,721	(18,158)	28,557	13,674
Other Financing Sources (Uses):					
Operating transfers in			30,683	30,683	31,666
Operating transfers out			(187)	(187)	
Net Other Financing Sources			30,496	30,496	31,666
Excess of Revenues and Other Sources over Expenditures	994	45,721	12,338	59,053	45,340
Fund Balances July 1	70,689	98,217	420,527	589,433	544,093
Fund Balances June 30	$ 71,683	$ 143,938	$ 432,865	$ 648,486	$ 589,433

Special Revenue Funds

Combining Balance Sheet
Health and Social Services
June 30, 1990

	Department of Human Services			Department of Mental Health	
	Community Services	Rehabilitation Services	Disability Determination	Alcohol and Drug Abuse Program	Social Services
Assets:					
Cash and cash equivalents	$ 2,710,072	$ 3,087,496	$ 1,344,064	$ 527,696	$ 66,242
Receivables, net:					
Other	41,197	253,289	52		12,236
Due from other governments	1,827,641	2,108,115	406,051		
Interfund receivables	1,480,022	18,435		202,544	
Inventories					
Total Assets	$ 6,058,932	$ 5,467,335	$ 1,750,167	$ 730,240	$ 78,478
Liabilities:					
Warrants payable	$ 1,634,935	$ 1,458,301	$ 824,688	$ 153,003	$
Accounts payable and accruals	1,852,718	472,309	249,714	184,918	10,763
Due to other governments	136,236				
Interfund payables	969,427	25,106	30,865	50,586	171
Deferred revenues	1,415,272	2,673,282			
Loans from other funds					1,250
Total Liabilities	6,008,588	4,628,998	1,105,267	388,507	12,184
Fund Balances:					
Reserved for:					
Encumbrances	16,725	708,904	539,455	231	
Inventories					
Unreserved:					
Undesignated	33,619	129,433	105,445	341,502	66,294
Total Fund Balances	50,344	838,337	644,900	341,733	66,294
Total Liabilities and Fund Balances	$ 6,058,932	$ 5,467,335	$ 1,750,167	$ 730,240	$ 78,478

Employment Security Commission	Totals	
Employment Services	June 30, 1990	June 30, 1989
$ 3,521,695	$ 11,257,265	$ 8,732,305
222,640	529,414	76,664
344,425	4,686,232	2,771,778
1,514,740	3,215,741	2,475,669
164,339	164,339	195,747
$ 5,767,839	$ 19,852,991	$ 14,252,163
$ 1,352,947	$ 5,423,874	$ 4,030,741
441,194	3,211,616	2,291,716
24,717	160,953	25,537
164,091	1,240,246	1,118,932
976,106	5,064,660	1,816,797
103,720	104,970	120,095
3,062,775	15,206,319	9,403,818
124,843	1,390,158	2,644,039
164,339	164,339	195,747
2,415,882	3,092,175	2,008,559
2,705,064	4,646,672	4,848,345
$ 5,767,839	$ 19,852,991	$ 14,252,163

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Health and Social Services
For the Year Ended June 30, 1990

	Department of Human Services			Department of Mental Health	
	Community Services	Rehabilitation Services	Disability Determination	Alcohol and Drug Abuse Program	Social Services
Revenues:					
Licenses, fees and permits	$	$	$	$ 2	$ 231,017
Federal government	52,551,658	26,278,040	12,099,530		
Interest	8,107	20,836			1,086
Charges for services	6,591	10,151	682,277		137,746
Rental		3,504			
Other	35,082	489,996	15,239	1,008	30,888
Total Revenues	52,601,438	26,802,527	12,797,046	1,010	400,737
Expenditures:					
Health and social services	35,775,711	27,186,208	11,887,780	1,747,947	387,583
Excess of Revenues over (under) Expenditures	16,825,727	(383,681)	909,266	(1,746,937)	13,154
Other Financing Sources (Uses):					
Operating transfers in	4,749,273	5,529,242		2,585,537	
Operating transfers out	(21,524,656)	(5,157,644)	(198,128)	(960,828)	
Net Other Financing Sources (Uses)	(16,775,383)	371,598	(198,128)	1,624,709	
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	50,344	(12,083)	711,138	(122,228)	13,154
Fund Balances July 1		888,418	(66,238)	463,961	53,140
Residual Equity Transfer Out					
Increase (Decrease) in Reserve for Inventories		(37,998)			
Fund Balances June 30	$ 50,344	$ 838,337	$ 644,900	$ 341,733	$ 66,294

Employment Security Commission		Totals for the Year Ended	
Employment Services	Other	June 30, 1990	June 30, 1989
$	$	$ 231,019	$ 211,617
25,622,048		116,551,276	59,694,174
		30,029	31,487
		836,765	97,195
		3,504	3,504
1,405,091		1,977,304	1,545,709
27,027,139		119,629,897	61,583,686
43,675,282		120,660,511	82,466,313
(16,648,143)		(1,030,614)	(20,882,627)
15,889,561		28,753,613	31,900,114
(43,597)		(27,884,853)	(13,480,689)
15,845,964		868,760	18,419,425
(802,179)		(161,854)	(2,463,202)
3,500,653	8,411	4,848,345	7,324,598
	(8,411)	(8,411)	
6,590		(31,408)	(13,051)
$ 2,705,064	$ 0	$ 4,646,672	$ 4,848,345

Combining Balance Sheet
Law, Justice and Public Safety
June 30, 1990

	Attorney General	Department of Corrections			Department of Public Safety
	Medicaid	Community Services	Inmate Welfare and Training	Discharged Offenders	Public Safety Planning
Assets:					
Cash and cash equivalents	$ 129,999	$ 307,979	$ 777,124	$ 28,907	$ 348,890
Receivables, net:					
Interest					
Other		180	130	7,250	
Due from other governments	41,932				461,071
Interfund receivables					
Inventories					
Total Assets	$ 171,931	$ 308,159	$ 777,254	$ 36,157	$ 809,961
Liabilities:					
Warrants payable	$ 48,169	$ 46,816	$ 203	$ 7,220	$ 173,807
Accounts payable and accruals	22,838	27,796	7,949		320,611
Due to other governments		10			16,124
Interfund payables	1,766	8,470			219,293
Deferred revenues	10,438				25,386
Total Liabilities	83,211	83,092	8,152	7,220	755,221
Fund Balances:					
Reserved for:					
Encumbrances	89	3,772	183,770		5,437
Inventories					
Unreserved:					
Undesignated	88,631	221,295	585,332	28,937	49,303
Total Fund Balances	88,720	225,067	769,102	28,937	54,740
Total Liabilities and Fund Balances	$ 171,931	$ 308,159	$ 777,254	$ 36,157	$ 809,961

Military Department						Totals	
Camp Shelby Timber	Facility Maintenance and Operation	Camp Shelby Base Operation	National Guard Recreation	Air National Guard Training Site Operation	Other	June 30, 1990	June 30, 1989
$ 146,018	$ 674,208	$ 1,125,279	$ 37,379	$ 95,150	$ 77,578	$ 3,748,511	$ 4,133,257
622						622	887
	244					7,804	34,614
	73,759	9,922		174,615		761,299	544,253
50	276					326	68,820
		909,436				909,436	791,769
$ 146,690	$ 748,487	$ 2,044,637	$ 37,379	$ 269,765	$ 77,578	$ 5,427,998	$ 5,573,600
$ 6,030	$ 316,469	$ 307,544	$ 10	$ 60,156	$	$ 966,424	$ 676,755
	53,520	526,009		14,305		973,028	521,390
	401		630			17,165	10,759
464	22,271	31,308		852		284,424	285,542
	170,435	266,128		9,040		481,427	437,130
6,494	563,096	1,130,989	640	84,353		2,722,468	1,931,576
5,432	378,905	161,593				738,998	518,221
		909,436				909,436	791,769
134,764	(193,514)	(157,381)	36,739	185,412	77,578	1,057,096	2,332,034
140,196	185,391	913,648	36,739	185,412	77,578	2,705,530	3,642,024
$ 146,690	$ 748,487	$ 2,044,637	$ 37,379	$ 269,765	$ 77,578	$ 5,427,998	$ 5,573,600

Special Revenue Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Law, Justice and Public Safety
For the Year Ended June 30, 1990

	Attorney General	Department of Corrections			Department of Public Safety
	Medicaid	Community Services	Inmate Welfare and Training	Discharged Offenders	Public Safety Planning
Revenues:					
Licenses, fees and permits	$	$ 1,162,844	$	$	$
Federal government	513,920				6,370,700
Interest		354	92,144	1,545	
Charges for services			9,696		
Other	1,033		503,769	8,864	250,099
Total Revenues	514,953	1,163,198	605,609	10,409	6,620,799
Expenditures:					
Law, justice and public safety	569,628	751,286	860,950	184,838	5,667,196
Excess of Revenues over(under) Expenditures	(54,675)	411,912	(255,341)	(174,429)	953,603
Other Financing Sources (Uses):					
Operating transfers in	170,310		71,984	172,746	429,816
Operating transfers out	(149,936)	(477,105)			(1,378,603)
Net Other Financing Sources (Uses)	20,374	(477,105)	71,984	172,746	(948,787)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(34,301)	(65,193)	(183,357)	(1,683)	4,816
Fund Balances July 1	123,021	290,260	952,459	30,620	3,596
Residual Equity Transfer In					46,328
Increase in Reserve for Inventories					
Fund Balances June 30	$ 88,720	$ 225,067	$ 769,102	$ 28,937	$ 54,740

Military Department						Totals for the Year Ended	
Camp Shelby Timber	Facility Maintenance and Operation	Camp Shelby Base Operation	National Guard Recreation	Air National Guard Training Site Operation	Other	June 30, 1990	June 30, 1989
$	$	$	$	$	$ 50,296	$ 1,213,140	$ 1,787,841
	4,437,647	8,411,406		906,142		20,639,815	13,254,661
12,585					10,705	117,333	53,039
5,612		778,021	3,150		10,842	807,321	1,536,767
	73	372			1,063,274	1,827,484	405,711
18,197	4,437,720	9,189,799	3,150	906,142	1,135,117	24,605,093	17,038,019
264,302	5,039,280	9,483,982	12,243	906,142	229,134	23,968,981	16,582,123
(246,105)	(601,560)	(294,183)	(9,093)		905,983	636,112	455,896
	736,782					1,581,638	1,347,798
	(95,497)				(1,217,098)	(3,318,239)	(955,720)
	641,285				(1,217,098)	(1,736,601)	392,078
(246,105)	39,725	(294,183)	(9,093)		(311,115)	(1,100,489)	847,974
386,301	145,666	1,090,164	45,832	185,412	388,693	3,642,024	2,443,671
						46,328	
		117,667				117,667	350,379
$ 140,196	$ 185,391	$ 913,648	$ 36,739	$ 185,412	$ 77,578	$ 2,705,530	$ 3,642,024

Combining Balance Sheet
Recreation and Resources Development
June 30, 1990

	Department of Agriculture and Commerce	Department of Economic and Community Development		
	Rice and Soybean Promotion	Community Development	Forestry Commission	Oil and Gas Board
Assets:				
Cash and cash equivalents	$ 73,709	$ 5,217,392	$ 248,079	$ 526,611
Investments			145,522	
Receivables, net:				
Interest			5,508	
Other				2,252
Due from other governments		15,098,535		60,944
Interfund receivables	35,032	25,012		
Inventories				
Total Assets	$ 108,741	$ 20,340,939	$ 399,109	$ 589,807
Liabilities:				
Warrants payable	$ 31,227	$ 2,775,854	$ 3,480	$ 118,659
Accounts payable and accruals	20,229	11,309,143		37,193
Due to other governments				
Interfund payables		3,963,208		11,569
Deferred revenues		1,967,170		
Total Liabilities	51,456	20,015,375	3,480	167,421
Fund Balances:				
Reserved for:				
Encumbrances		53,209		37,570
Inventories				
Unreserved:				
Undesignated	57,285	272,355	395,629	384,816
Total Fund Balances	57,285	325,564	395,629	422,386
Total Liabilities and Fund Balances	$ 108,741	$ 20,340,939	$ 399,109	$ 589,807

Department of Wildlife, Fisheries and Parks					Totals	
Bureau of Fisheries and Wildlife	Motor Vehicle	Bureau of Marine Resources	Other	Other	June 30, 1990	June 30, 1989
$ 5,410,349	$ 460,747	$ 575,396	$ 1,266,313	$ 129,859	$ 13,908,455	$ 10,273,832
			260,000		405,522	
4,960	292		14,137	505	25,402	16,111
81,910					84,162	216,869
1,346,158		552,705			17,058,342	762,061
234,071		238,141			532,256	53,336
92,936					92,936	78,897
$ 7,170,384	$ 461,039	$ 1,366,242	$ 1,540,450	$ 130,364	$ 32,107,075	$ 11,401,106
$ 858,479	$	$ 219,589	$ 38,160	$ 1,951	$ 4,047,399	$ 1,434,956
596,754	68,350	123,621	2,857	500	12,158,647	606,782
44		16			60	32,328
487,311		19,266	752	165	4,482,271	318,468
1,386,112		16,514			3,369,796	1,362,081
3,328,700	68,350	379,006	41,769	2,616	24,058,173	3,754,615
452,304	12,872	77,624			633,579	250,660
92,936					92,936	78,897
3,296,444	379,817	909,612	1,498,681	127,748	7,322,387	7,316,934
3,841,684	392,689	987,236	1,498,681	127,748	8,048,902	7,646,491
$ 7,170,384	$ 461,039	$ 1,366,242	$ 1,540,450	$ 130,364	$ 32,107,075	$ 11,401,106

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Recreation and Resources Development
For the Year Ended June 30, 1990

	Department of Agriculture and Commerce	Department of Economic and Community Development		
	Rice and Soybean Promotion	Community Development	Forestry Commission	Oil and Gas Board
Revenues:				
Licenses, fees and permits	$ 897,278	$	$	$ 1,244,919
Federal government		84,703,381		121,917
Interest		1,199	11,127	
Charges for services		119,903	1,789	
Other	94	656,505		3,404
Total Revenues	897,372	85,480,988	12,916	1,370,240
Expenditures:				
Recreation and resources development	861,037	54,682,023	3,825	1,448,256
Excess of Revenues over (under) Expenditures	36,335	30,798,965	9,091	(78,016)
Other Financing Sources (Uses):				
Operating transfers in		832,356		
Operating transfers out	(11,600)	(31,567,673)		
Net Other Financing Sources (Uses)	(11,600)	(30,735,317)		
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	24,735	63,648	9,091	(78,016)
Fund Balances July 1	32,550		386,538	500,402
Residual Equity Transfers In		261,916		
Residual Equity Transfers Out				
Increase in Reserve for Inventories				
Fund Balances June 30	$ 57,285	$ 325,564	$ 395,629	$ 422,386

Department of Wildlife, Fisheries and Parks						Totals for the Year Ended	
Bureau of Fisheries and Wildlife	Administrative	Motor Vehicle	Bureau of Marine Resources	Other	**Other**	June 30, 1990	June 30, 1989
$ 7,718,372		$ 597,455	$ 522,000	$ 488,728	$ 354,424	$ 11,823,176	$ 10,362,839
4,570,532			1,169,935			90,565,765	4,652,733
346,482		29,225	1,469	76,284	7,525	473,311	596,222
510,577		246,094	63,289	20,256	35,290	997,198	1,011,945
334,699			54,768	33,964	5	1,083,439	347,774
13,480,662		872,774	1,811,461	619,232	397,244	104,942,889	16,971,513
15,547,667		938,106	3,203,882	44,785	73,865	76,803,446	23,970,384
(2,067,005)		(65,332)	(1,392,421)	574,447	323,379	28,139,443	(6,998,871)
2,203,435			2,077,305	53,125		5,166,221	6,594,580
(1,209,596)		(1,097)	(2,182)	(53,125)	(333,935)	(33,179,208)	(3,902,004)
993,839		(1,097)	2,075,123		(333,935)	(28,012,987)	2,692,576
(1,073,166)		(66,429)	682,702	574,447	(10,556)	126,456	(4,306,295)
4,689,008	62,624	459,118	304,534	1,073,413	138,304	7,646,491	11,932,177
211,803						473,719	
	(62,624)			(149,179)		(211,803)	
14,039						14,039	20,609
$ 3,841,684	$ 0	$ 392,689	$ 987,236	$ 1,498,681	$ 127,748	$ 8,048,902	$ 7,646,491

Combining Balance Sheet
Regulation of Business and Professions
June 30, 1990

			Department of Banking and Consumer Finance	
	Public Service Commission	Workers' Compensation Commission	Bank Supervision Administrative	Consumer Finance
Assets:				
Cash and cash equivalents	$ 5,171,892	$ 4,635,866	$ 1,457,876	$ 513,908
Investments				
Receivables, net:				
Interest		9,618		
Other	163	5,628		
Due from other governments	399,782			
Interfund receivables	2,078,711			
Inventories				
Total Assets	$ 7,650,548	$ 4,651,112	$ 1,457,876	$ 513,908
Liabilities:				
Warrants payable	$ 342,717	$ 192,421	$ 86,848	$ 14,711
Accounts payable and accruals	125,686	21,595	26,591	7,384
Interfund payables	31,719	17,150	4,848	5,663
Deferred revenues	3,102,517			
Total Liabilities	3,602,639	231,166	118,287	27,758
Fund Balances:				
Reserved for:				
Encumbrances	7,186	4,958		
Inventories				
Unreserved:				
Undesignated	4,040,723	4,414,988	1,339,589	486,150
Total Fund Balances	4,047,909	4,419,946	1,339,589	486,150
Total Liabilities and Fund Balances	$ 7,650,548	$ 4,651,112	$ 1,457,876	$ 513,908

Other Regulatory Agencies	Totals	
	June 30, 1990	June 30, 1989
$ 5,230,711	$ 17,010,253	$ 16,224,079
67,074	67,074	
10,143	19,761	18,230
353	6,144	27,508
	399,782	845,260
	2,078,711	1,612,782
5,087	5,087	874
$ 5,313,368	$ 19,586,812	$ 18,728,733
$ 157,053	$ 793,750	$ 836,305
188,787	370,043	610,180
35,389	94,769	86,569
49,225	3,151,742	3,098,371
430,454	4,410,304	4,631,425
4,292	16,436	9,090
5,087	5,087	874
4,873,535	15,154,985	14,087,344
4,882,914	15,176,508	14,097,308
$ 5,313,368	$ 19,586,812	$ 18,728,733

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Regulation of Business and Professions
For the Year Ended June 30, 1990

			Department of Banking and Consumer Finance	
	Public Service Commission	Workers' Compensation Commission	Bank Supervision Administrative	Consumer Finance
Revenues:				
Taxes	$ 177,878	$	$	$
Licenses, fees and permits	7,295,124	2,872,782	1,303,412	393,102
Federal government	478,392			
Interest		233,699		
Charges for services	13,114	8,435		
Other	9,810	1,842	9	
Total Revenues	7,974,318	3,116,758	1,303,421	393,102
Expenditures:				
Current:				
Regulation of business and professions	5,949,620	2,826,569	1,433,553	349,790
Debt Service:				
Principal		65,347		
Interest		4,981		
Total Expenditures	5,949,620	2,896,897	1,433,553	349,790
Excess of Revenues over (under) Expenditures	2,024,698	219,861	(130,132)	43,312
Other Financing Sources (Uses):				
Proceeds of capital leases				
Operating transfers out	(2,000,000)			
Net Other Financing Uses	(2,000,000)			
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	24,698	219,861	(130,132)	43,312
Fund Balances July 1	4,023,211	4,200,085	1,469,721	442,838
Increase (Decrease) in Reserve for Inventories				
Fund Balances June 30	$ 4,047,909	$ 4,419,946	$ 1,339,589	$ 486,150

Other Regulatory Agencies	Totals for the Year Ended June 30, 1990	Totals for the Year Ended June 30, 1989
$	$ 177,878	$ 175,000
5,122,684	16,987,104	16,252,829
	478,392	793,167
53,329	287,028	222,592
11,063	32,612	30,365
51,358	63,019	10,425
5,238,434	18,026,033	17,484,378
4,295,085	14,854,617	13,462,811
	65,347	54,119
	4,981	5,881
4,295,085	14,924,945	13,522,811
943,349	3,101,088	3,961,567
		1,557
(26,101)	(2,026,101)	(2,916,906)
(26,101)	(2,026,101)	(2,915,349)
917,248	1,074,987	1,046,218
3,961,453	14,097,308	13,051,195
4,213	4,213	(105)
$ 4,882,914	$ 15,176,508	$ 14,097,308

Combining Balance Sheet
Transportation
June 30, 1990

	Department of Economic and Community Development			Totals	
	Aeronautics Commission	Energy and Transportation	Railroad Loan	June 30, 1990	June 30, 1989
Assets:					
Cash and cash equivalents	$ 40,702	$ 9,068,480	$ 1,065,270	$ 10,174,452	$ 20,369,218
Investments		4,947,757		4,947,757	
Receivables, net:					
Interest		94,262	5,807	100,069	149,370
Other					9,950
Due from other governments		291,075		291,075	160,730
Interfund receivables	231,631			231,631	19,942
Loans and notes receivable		48,000	1,687,497	1,735,497	1,140,120
Total Assets	$ 272,333	$ 14,449,574	$ 2,758,574	$ 17,480,481	$ 21,849,330
Liabilities:					
Warrants payable	$ 8,713	$ 233,769	$ 4,160	$ 246,642	$ 366,881
Accounts payable and accruals	7,551	597,454	25,435	630,440	187,394
Due to other governments		235,196		235,196	48,235
Interfund payables	753	275,575		276,328	133,453
Total Liabilities	17,017	1,341,994	29,595	1,388,606	735,963
Fund Balances:					
Reserved for:					
Encumbrances	80	979,491		979,571	3,518,544
Long-term portion of loans and notes receivable		48,000	1,298,594	1,346,594	907,792
Unreserved:					
Undesignated	255,236	12,080,089	1,430,385	13,765,710	16,687,031
Total Fund Balances	255,316	13,107,580	2,728,979	16,091,875	21,113,367
Total Liabilities and Fund Balances	$ 272,333	$ 14,449,574	$ 2,758,574	$ 17,480,481	$ 21,849,330

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
Transportation
For the Year Ended June 30, 1990

	Department of Economic and Community Development			Totals for the Year Ended	
	Aeronautics Commission	Energy and Transportation	Railroad Loan	June 30, 1990	June 30, 1989
Revenues:					
Federal government	$ 115,941	$ 3,484,208	$	$ 3,600,149	$ 3,129,775
Interest		1,082,743	72,930	1,155,673	1,408,445
Charges for services	15,626	500		16,126	25,511
Court assessments		306,000		306,000	
Other		365,021		365,021	211,454
Total Revenues	131,567	5,238,472	72,930	5,442,969	4,775,185
Expenditures:					
Transportation	309,769	10,523,578		10,833,347	9,674,037
Excess of Revenues over (under) Expenditures	(178,202)	(5,285,106)	72,930	(5,390,378)	(4,898,852)
Other Financing Sources (Uses):					
Operating transfers in	386,285	799,086		1,185,371	975,861
Operating transfers out		(816,485)		(816,485)	(1,175,481)
Net Other Financing Sources (Uses)	386,285	(17,399)		368,886	(199,620)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	208,083	(5,302,505)	72,930	(5,021,492)	(5,098,472)
Fund Balances July 1	47,233	18,410,085	2,656,049	21,113,367	26,211,839
Fund Balances June 30	$ 255,316	$ 13,107,580	$ 2,728,979	$ 16,091,875	$ 21,113,367

GOVERNOR RAY MABUS:

A governor committed to worker training/excellence at work initiatives.

National Governors' Association: Excellence at Work Mississippi Roundtable.

Strongly committed to the creation of an internationally competitive work force through progressive worker training and excellence at work initiatives, Mississippi Governor Ray Mabus, chairman of the National Governors' Association's Committee on Economic Development and Technological Innovation, hosted the first in a series of Excellence at Work roundtables in Jackson, May 10-11, 1990. Mabus was joined at the roundtable by Governor George Deukmejian of California, Governor Edward D. Di Prete of Rhode Island and Governor William Donald Schaefer of Maryland.

The initiative on Excellence at Work specifically focused on how states can compete effectively in the global marketplace. In attendance at the roundtable were representatives from business, vocational and higher education, labor, and non-profit groups targeting these issues.

Work force preparation and training the existing work force were the primary focus during the roundtable. The discussion centered on what states could do to promote life-long learning and to improve coordination between institutional and work-related skills acquisition. Also examined were ways in which states could make education and training more client responsive to meet the needs of businesses and workers and how states could improve the provision of fundamental educational skills to both youth and adults.

Teachers, school management, curriculum and students were four perspectives examined in kindergarten through 12th grade. The roundtable stated that the quality, preparation and maintenance of teacher skills is of major importance to the quality of education and the preparation which students receive. The ability of schools to manage themselves as consistent with new trends in management and as the way to produce greater innovation, responsiveness and effectiveness was needed. Major changes in the curriculum of K-12 were viewed to be an essential element of improving the preparation of students. There needs to be a recognition of the importance that school plays in the lives of young people, offering in some instances the most stable influence in their lives.

Measuring performance was considered to be a major problem. There does not presently exist a data system that can be used to make good policy, wisely allocate resources, link education and work, drive curriculum and instructional reform and help employees make good personal decisions. Such a system was viewed as a high priority.

Building effective linkages that result in a qualified work force, maximizing motivation to learn by tying job opportunity to education in a more tangible way, using resources more cost-effectively and providing enough flexibility to meet state and local needs were all seen as primary goals. Strategies determined by the roundtable to be used in the implementation of these goals included encouraging individually and collectively a national system, re-examining state formula funding procedures, using discretionary funding to motivate institutions, examining existing assessment and information systems and cooperating with the business roundtable effort.

The roundtable recommended that governors:

- take a leadership role in convincing their public and private sector leaders that upgrading and retraining the existing work force is critical for economic survival;
- advocate greater and more effective investment of public and private resources for upgrading and retraining the existing work force,
- and advocate that worker upgrading and retraining is a mutual responsibility of government and industry requiring policies that will encourage new relationships.

continued on page 108

Debt Service Funds

Debt service funds account for accumulation of resources for, and the payment of, principal and interest on general long-term obligations.

Debt Service Funds Descriptions

Highway Revenue Refunding Bond Retirement and Interest Fund - accounts for payment of principal and interest on revenue refunding bonds issued in October 1985 to refund outstanding highway bonds previously issued. Revenue is provided by gasoline tax allocations transferred from the General Fund.

Port Development Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued in 1967 for construction, expansion, and facilities improvement at the Port Authority in Jackson County. Collections consist of loan principal and interest payments received from the Ingalls Shipbuilding Division of Litton Industries, Inc. These payments are unconditionally guaranteed by Litton Industries, Inc.

Public School Building Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued for construction of public school buildings. Funding consists of transfers from the General Fund.

Fire Academy Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued for construction at the State Fire Academy. Revenue is provided by transfers from the General Fund of a premium tax on multiperil insurance.

Office Facilities Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued to purchase two office buildings and a warehouse.

State Aid Road Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued to construct state and county roads. Funding consists of transfers from the General Fund.

Small Enterprise Development Bond Retirement and Interest Fund - accounts for payment of principal and interest on bonds issued to provide funds to finance loans to private companies for the acquisition, construction and equipping of manufacturing or processing facilities. Funding consists of repayments of principal and interest on the loans.

Debt Service Funds

Combining Balance Sheet
June 30, 1990

	Highway Revenue Refunding Bond Retirement and Interest	Port Development Bond Retirement and Interest	Public School Building Bond Retirement and Interest	Fire Academy Bond Retirement and Interest
Assets:				
Cash and cash equivalents	$ 6,197,860	$ 47,589	$ 1,236,401	$ 184,924
Investments	115,704,893		288,208	
Interest receivable	392,201		128	
Interfund receivables	2,551,114			
Loan receivable		51,425,000		
Total Assets	$ 124,846,068	$ 51,472,589	$ 1,524,737	$ 184,924
Liabilities:				
Warrants payable	$ 2,630	$ 750	$	$
Accounts payable	6,167			
Interfund payables	248,005			
Deferred revenues	8,412,939			
Total Liabilities	8,669,741	750		
Fund Balances:				
Reserved for long-term loan receivable		51,425,000		
Unreserved, designated for debt service	116,176,327	46,839	1,524,737	184,924
Total Fund Balances	116,176,327	51,471,839	1,524,737	184,924
Total Liabilities and Fund Balances	$ 124,846,068	$ 51,472,589	$ 1,524,737	$ 184,924

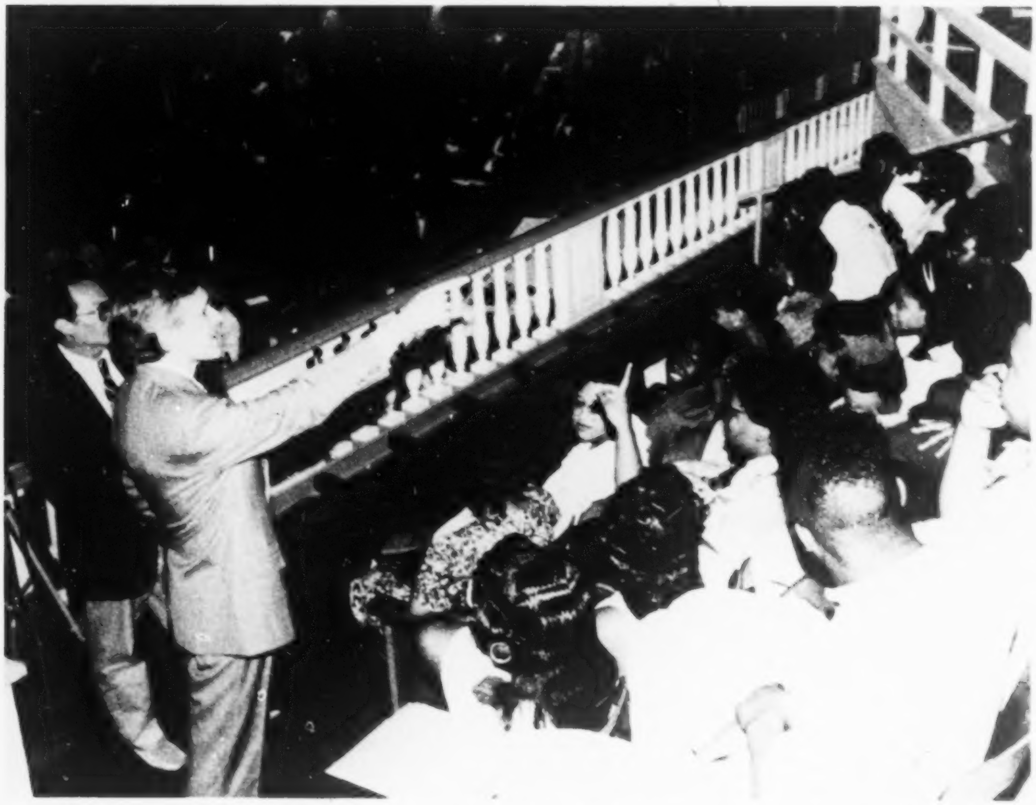
		Totals	
Office Facilities Bond Retirement and Interest	State Aid Road Bond Retirement and Interest	June 30, 1990	June 30, 1989
$ 620,813	$ 1,692,048	$ 9,979,635	$ 10,991,705
		115,993,101	96,968,505
		392,329	403,798
		2,551,114	3,304,257
		51,425,000	63,330,000
$ 620,813	$ 1,692,048	$ 180,341,179	$ 174,998,265
$	$	$ 3,380	$ 119,350
		6,167	
		248,005	259,830
		8,412,939	6,519,157
		8,670,491	6,898,337
		51,425,000	63,330,000
620,813	1,692,048	120,245,688	104,769,928
620,813	1,692,048	171,670,688	168,099,928
$ 620,813	$ 1,692,048	$ 180,341,179	$ 174,998,265

Debt Service Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1990

	Highway Revenue Refunding Bond Retirement and Interest	Port Development Bond Retirement and Interest	Public School Building Bond Retirement and Interest	Fire Academy Bond Retirement and Interest
Revenues:				
Interest and other investment income, net	$ 3,782,062	$ 2,991,789	$ 21,236	$
Rentals				
Other		52,500	97,060	
Total Revenues	3,782,062	3,044,289	118,296	
Expenditures:				
Loss on trade of investments				
Debt service:				
Bond principal retirement	7,210,000	11,905,000	6,090,000	600,000
Interest and other fiscal charges	12,335,479	3,043,663	3,215,311	36,000
Total Expenditures	19,545,479	14,948,663	9,305,311	636,000
Excess of Revenues over (under) Expenditures	(15,763,417)	(11,904,374)	(9,187,015)	(636,000)
Other Financing Sources (Uses):				
Operating transfers in	34,422,355		9,135,000	
Operating transfers out	(2,096,955)			(509,000)
Net Other Financing Sources (Uses)	32,325,400		9,135,000	(509,000)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	16,561,983	(11,904,374)	(52,015)	(1,145,000)
Fund Balances July 1	99,614,344	63,376,213	1,576,752	1,329,924
Fund Balances June 30	$ 116,176,327	$ 51,471,839	$ 1,524,737	$ 184,924

Office Facilities Bond Retirement and Interest	State Aid Road Bond Retirement and Interest	Small Enterprise Development Bond Retirement and Interest	Totals for the Year Ended	
			June 30, 1990	June 30, 1989
$ 1,839	$	$ 90,038	$ 6,886,964	$ 5,660,223
575,324			575,324	660,303
	66		149,626	27,025
577,163	66	90,038	7,611,914	6,347,551
				6,044,047
350,000	3,568,000		29,723,000	22,811,000
97,062	2,080,213	263,773	21,071,501	22,178,263
447,062	5,648,213	263,773	50,794,501	51,033,310
130,101	(5,648,147)	(173,735)	(43,182,587)	(44,685,759)
	5,628,212	173,735	49,359,302	35,481,536
			(2,605,955)	(2,382,284)
	5,628,212	173,735	46,753,347	33,099,252
130,101	(19,935)		3,570,760	(11,586,507)
490,712	1,711,983		168,099,928	179,686,435
$ 620,813	$ 1,692,048	$ 0	$ 171,670,688	$ 168,099,928



Governor Ray Mabus talking with students at the 1990 Southern Governors' Association Annual Meeting. The theme of the conference was "Preparing the Youth of Today for the Work of Tomorrow."

Southern Governors' Association: Preparing the Youth of Today for the Work of Tomorrow.

"Preparing the Youth of Today for the Work of Tomorrow," was the theme of the 1990 Southern Governors' Association (SGA) Annual Meeting hosted by the SGA chairman Governor Ray Mabus, in Natchez, September 9-11. The primary reasoning behind Mabus's 1990 SGA theme selection was his belief that an educated and well-trained work force is vitally important to the future prosperity of the South.

The SGA is composed of the governors of 17 states, Puerto Rico, and the Virgin Islands. The annual meeting assembled many of the South's government, business and community leaders to focus their collective attention on the region's political, economic and social concerns.

The focus of discussion during the 1990 SGA annual meeting centered on the challenges that face our youth as they prepare for their transition from school to work. In sessions that addressed "Necessary Skills for Work," "American and International Models," and "Opportunities for Change," the governors examined the personal, economic and systematic aspects of the issue.

"Necessary Skills for Workplaces of the Future," focused on skills that both businesses and individuals will need to compete in the future. The discussion was geared toward the indigenous industries of the South.

"International and American Models," examined models and lessons from European, Pacific Rim and American programs geared toward improving the transition from school to work.

"Opportunities for Change," focused on opportunities for change and improvement in the current state vo-tech and secondary educational systems and also provided for a closure discussion.

continued on page 130

Capital Projects Funds

Capital projects funds account for the acquisition or construction of major governmental general fixed assets.

Capital Projects Funds Descriptions

Military Department	**Mississippi National Guard Armory Fund** - accounts for State funding for construction of new armories.
Bureau of Building, Grounds and Real Property Management	**Construction and Improvement Fund** - accounts for bond proceeds and local, State and federal funding for the construction, renovation and repair of buildings and the purchase of equipment to be used by various State agencies and educational institutions.

Capital Projects Funds

Combining Balance Sheet
June 30, 1990

	Military Department	Bureau of Building, Grounds and Real Property Management	Totals	
	National Guard Armory	Construction and Improvement	June 30, 1990	June 30, 1989
Assets:				
Cash and cash equivalents	$ 23,031	$ 9,242,493	$ 9,265,524	$ 18,319,960
Investments		77,292,990	77,292,990	44,642,423
Due from other governments		149,397	149,397	
Interfund receivables		677,226	677,226	194,954
Total Assets	$ 23,031	$ 87,362,106	$ 87,385,137	$ 63,157,337
Liabilities:				
Warrants payable	$	$ 388,739	$ 388,739	$ 146,220
Accounts payable	23,031	5,478,155	5,501,186	1,062
Interfund payables		4,756	4,756	74,463
Total Liabilities	23,031	5,871,650	5,894,681	221,745
Fund Balances:				
Reserved for encumbrances				647,139
Unreserved, designated for future capital projects		81,490,456	81,490,456	62,288,453
Total Fund Balances		81,490,456	81,490,456	62,935,592
Total Liabilities and Fund Balances	$ 23,031	$ 87,362,106	$ 87,385,137	$ 63,157,337

Capital Projects Funds

Combining Statement of Revenues, Expenditures, Other Financing Sources and Uses, and Changes in Fund Balances
For the Year Ended June 30, 1990

	Military Department	Bureau of Building, Grounds and Real Property Management	Totals for the Year Ended	
	National Guard Armory	Construction and Improvement	June 30, 1990	June 30, 1989
Revenues:				
Federal government	$	$ 1,034,180	$ 1,034,180	$
Other		128,392	128,392	4,350
Total Revenues		1,162,572	1,162,572	4,350
Expenditures:				
Capital outlay	719,829	30,777,356	31,497,185	34,274,787
Debt service:				
Bond issuance costs		165,446	165,446	184,859
Total Expenditures	719,829	30,942,802	31,662,631	34,459,646
Excess of Revenues over (under) Expenditures	(719,829)	(29,780,230)	(30,500,059)	(34,455,296)
Other Financing Sources (Uses):				
Proceeds from general obligation bond issues		68,506,336	68,506,336	40,000,000
Operating transfers in	72,690	5,219,317	5,292,007	12,429,360
Operating transfers out		(24,743,420)	(24,743,420)	(13,009,032)
Net Other Financing Sources	72,690	48,982,233	49,054,923	39,420,328
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(647,139)	19,202,003	18,554,864	4,965,032
Fund Balances July 1	647,139	62,288,453	62,935,592	57,970,560
Fund Balances June 30	$ 0	$ 81,490,456	$ 81,490,456	$ 62,935,592

Enterprise Funds

Enterprise funds account for the operations of the State that provide goods or services to the general public on a user charge basis.

Enterprise Funds Descriptions

Department of Economic and Community Development	**Mississippi Business Finance Corporation Fund** - provides loans to nonagricultural small businesses.
Fair Commission	**Fair Commission Fund** - accounts for expenses of the Fair Commission's operation of the coliseum, Dixie National Livestock Show, and Industrial Showcase Building, including payment of maturing bond interest and principal. Funding sources include gross receipts from the state fair, livestock show, Industrial Building, and other events conducted at the coliseum and fairgrounds, as well as operating transfers from the General Fund and proceeds from bond issues.
Department of Environmental Quality	**Water Pollution Abatement Revolving Loan Fund** - provides loans to municipalities for water pollution control projects.
Veterans' Home Purchase Board	**Veterans' Home Purchase Board Fund** - provides home mortgage loans to qualified Mississippi veterans and accounts for administrative expenses of the Veterans' Home Purchase Board. Revenue is derived from interest earned on loans.
Veterans' Memorial Stadium Commission	**Veterans' Memorial Stadium Commission Fund** - accounts for operations of the Veterans' Memorial Stadium in Jackson. Funding is provided by admission fees and concessions.
Port Authority at Gulfport	**Port Authority at Gulfport Fund** - accounts for operations of a public port providing facilities for foreign and domestic trade. Funding is provided by gross receipts from port operations, proceeds from bond issues, and interest income. Expenses include port operation, construction, and the payment of maturing bond interest and principal.
Mississippi Home Corporation	**Mississippi Home Corporation Fund** - provides monies to finance the acquisition, construction, rehabilitation, and improvement of residential housing for lower and moderate income families within the State. Funding is derived from interest earned on mortgage loans, investment income, and proceeds from the issuance of revenue bonds.

Department of Human Services	**Mississippi Industries for the Blind Fund** - accounts for expenses relating to the establishment of industries, businesses, shops, and workshops primarily for the employment of blind persons, the procurement of materials for use in rehabilitating blind persons for employment, and the employment of blind persons and the marketing of their products. Revenue is derived principally from the sale of goods manufactured.
Mississippi Hospital Equipment and Facilities Authority	**Mississippi Hospital Equipment and Facilities Authority Fund** - accounts for the proceeds of bond issuances used primarily for the purpose of paying for or making loans to participating Mississippi hospital institutions for financing or refinancing of all or any part of the cost of hospital equipment and facilities and for refunding outstanding bonds. Expenses include administrative and bond issuance costs. Additional funding is provided by interest on loans and investments.

Other Enterprise Operations

Department of Agriculture and Commerce	**Division of Lime Fund** - accounts for all revenues and expenses from the operation of three lime plants. Operating expenses include royalties paid to owners of the land from which the lime is extracted. Revenue is derived from the sale of lime to the public. **Farmers' Central Market Board Fund** - accounts for the construction, maintenance, and operation of facilities for processing, storing, and marketing agricultural products. Funding is derived from rental income.
Department of Corrections	**Prison Industries Fund** - accounts for a janitorial supplies production operation, a garden operation, a book bindery, and a timber cutting operation. Revenue sources include proceeds from the sale of janitorial supplies, garden produce and firewood, fees collected for bindery services, and rental income from leased Department of Corrections' land. **Restaurants Fund** - accounts for operations of two restaurants maintained for the convenience of Department of Corrections penitentiary employees. **Commissary Fund** - accounts for operations of the commissary. Profits are used for the special benefit of the penitentiary's residents.
Forestry Commission	**Tree Seedlings Fund** - accounts for the production or purchase of forest tree seedlings for resale to Mississippi landowners.
Department of Finance and Administration	**Bureau of Surplus Property Fund** - receives and maintains an inventory of surplus federal property and redistributes it to State agencies and departments, counties, municipalities, and other eligible donees within the State. Fees are collected from the donees to offset operating costs.

Yellow Creek Inland Port Authority	**Yellow Creek Inland Port Authority Fund** - accounts for operations of a public port facility at the conjunction of the Tennessee River and Yellow Creek in Tishomingo County, Mississippi. All costs of operating this port are accounted for in this fund, including construction costs and the payment of maturing bond interest and principal. Funding is provided by gross receipts from port operations, proceeds from bond issues, and interest income.
Department of Human Services	**Allied Enterprises Fund** - accounts for a statewide system of sheltered workshop facilities through which handicapped citizens receive work experience to prepare them for employment outside of the Allied Enterprises setting. Revenue is generated from the sale of goods and services and operating transfers from the rehabilitation services fund

All Enterprise Funds

Combining Balance Sheet
June 30, 1990

	Department of Economic and Community Development		Department of Environmental Quality		
	Mississippi Business Finance Corporation	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board	Veterans' Memorial Stadium Commission
Assets:					
Current assets:					
Cash and cash equivalents	$ 2,756,544	$ 865,901	$ 1,481,269	$ 3,807,931	$ 304,051
Investments	4,040,436		3,944,232		583,991
Receivables, net:					
Accounts	16,939	47,826			
Interest	83,901		126,307	409,225	17,194
Due from other governments - current portion		1,567	3,619,210		
Interfund receivables	42		142,520		
Inventories					
Prepaid expenses		1,470			
Loans and notes receivable - current portion	120,711			4,566,091	
Other					
Total Current Assets	7,018,573	916,764	9,313,538	8,783,247	905,236
Restricted assets		100,559			
Long-term investments					
Due from other governments, net of current portion			26,514,810		
Loans receivable, net of current portion				56,954,918	
Other long-term assets					
Land		945,130			143,000
Buildings and improvements, net		5,350,325			2,889,623
Machinery and equipment, net	7,097	212,948		24,655	60,467
Construction in progress					
Total Assets	$ 7,025,670	$ 7,525,726	$ 35,828,348	$ 65,762,820	$ 3,998,326
Liabilities:					
Current liabilities:					
Warrants payable	$ 234	$ 47,235	$ 374,180	$ 150,350	$ 20,274
Accounts payable and accruals	21,249	112,047		722,627	20,247
Due to other governments		4,324	569,493		
Interfund payables		130,939		807	123,420
Current portion of long-term general obligation bonds					
Current portion of long-term revenue bonds					
Deferred revenues	86,792				
Other liabilities	186,791				
Total Current Liabilities	295,066	294,545	943,673	873,784	163,941
Liabilities payable from restricted assets:					
Accrued interest payable		11,215			
Revenue bonds payable - current		50,000			
Loans and notes payable, net of current portion					
Loans from other funds					
Long-term obligation - general obligation bonds payable, net of current portion and unamortized discount					
Long-term obligation - revenue bonds payable, net of current portion and unamortized discount		1,450,000			
Other obligations					
Total Liabilities	295,066	1,805,760	943,673	873,784	163,941
Fund Equity:					
Contributed capital	4,995,426		31,728,440	9,600,000	3,170,000
Retained earnings:					
Reserved for:					
Bond retirement		39,344			
Unreserved	1,735,178	5,680,622	3,156,235	55,289,036	664,385
Total Fund Equity	6,730,604	5,719,966	34,884,675	64,889,036	3,834,385
Total Liabilities and Fund Equity	$ 7,025,670	$ 7,525,726	$ 35,828,348	$ 65,762,820	$ 3,998,326

		Department of Human Services			Totals	
Port Authority at Gulfport	Mississippi Home Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment and Facilities Authority	Other	June 30, 1990	June 30, 1989
$ 3,230,823	$ 348,164	$ 1,857,986	$ 7,320,712	$ 2,738,217	$ 24,711,598	$ 24,118,943
	152,956,546		65,688,189	2,631,445	229,844,839	263,265,396
549,508		1,894,979		1,118,014	3,627,266	3,108,132
9,625	9,779,139	7,886	1,696,511	23,112	12,152,900	13,598,498
10,023		1,395		57,695	3,689,890	3,416,874
		25,908		65,415	233,885	93,245
		3,468,216		436,259	3,904,475	3,572,952
9,714		30,504		301	41,989	86,681
	11,664,188		5,159,432		21,510,422	24,429,457
	132,017				132,017	191,576
3,809,693	174,880,054	7,286,874	79,864,844	7,070,458	299,849,281	335,881,754
					100,559	102,045
	62,234,072				62,234,072	41,020,946
					26,514,810	27,236,097
	327,411,047		89,819,716		474,185,681	515,975,896
	8,616,402		2,852,821		11,469,223	8,793,973
24,000		12,500		1,637,255	2,761,885	2,627,384
11,409,347		543,544		2,128,117	22,320,956	21,924,021
3,627,050		678,896		1,281,217	5,892,330	6,189,249
						1,534,858
$ 18,870,090	$ 573,141,575	$ 8,521,814	$ 172,537,381	$ 12,117,047	$ 905,328,797	$ 961,286,223
$	$	$	$	$ 122,777	$ 715,050	$ 528,694
304,817	18,101,777	995,509	3,993,007	571,135	24,842,415	24,944,878
				1,252	575,069	2,648
6,019	291	41,072		27,698	330,246	428,764
1,279,000				125,000	1,404,000	1,631,000
	9,820,000		6,915,000		16,735,000	107,760,000
	822,000			120,236	1,029,028	275,558
					186,791	345,666
1,589,836	28,744,068	1,036,581	10,908,007	968,098	45,817,599	135,917,208
					11,215	11,163
					50,000	45,000
						909,500
				44,373	44,373	69,453
13,535,000					13,535,000	17,124,000
	516,336,633		160,380,000		678,166,633	651,858,882
18,333					18,333	18,333
15,143,169	545,080,701	1,036,581	171,288,007	1,012,471	737,643,153	805,953,539
		3,366,673		315,653	53,176,192	50,006,192
					39,344	45,882
3,726,921	28,060,874	4,118,560	1,249,374	10,788,923	114,470,108	105,280,610
3,726,921	28,060,874	7,485,233	1,249,374	11,104,576	167,685,644	155,332,684
$ 18,870,090	$ 573,141,575	$ 8,521,814	$ 172,537,381	$ 12,117,047	$ 905,328,797	$ 961,286,223

All Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1990

	Department of Economic and Community Development		Department of Environmental Quality		
	Mississippi Business Finance Corporation	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board	Veterans' Memorial Stadium Commission
Operating Revenues:					
Charges for sales and services	$	$ 2,506,812	$	$	$ 1,611,004
Interest	12,220			4,803,542	
Rentals					
Fees	36,665			1,385	
Other	2,107	171		53,560	1,778
Total Operating Revenues	50,992	2,506,983		4,858,487	1,612,782
Operating Expenses:					
Cost of sales and services					
General and administrative	179,965	789,970		299,494	336,947
Contractual services	16,800	1,502,826		136,637	1,364,144
Commodities	7,929	156,538		11,447	114,622
Interest					
Depreciation	1,463	287,117		12,214	349,505
Amortization of bond issuance costs					
Other		500		167,920	
Total Operating Expenses	206,157	2,736,951		627,712	2,165,218
Operating Income (Loss)	(155,165)	(229,968)		4,230,775	(552,436)
Nonoperating Revenues:					
Insurance recovery					
Federal grant			2,547,811		
Interest and other investment income, net	520,421	5,280	226,696		116,649
Other		11,468			
Total Nonoperating Revenues	520,421	16,748	2,774,507		116,649
Nonoperating Expenses:					
Loss on disposal of assets		1,605			
Interest		137,811			
Total Nonoperating Expenses		139,416			
Income (Loss) Before Operating Transfers	365,256	(352,636)	2,774,507	4,230,775	(435,787)
Operating Transfers In					
Operating Transfers Out			(424,550)		(488,519)
Net Income (Loss)	365,256	(352,636)	2,349,957	4,230,775	(924,306)
Retained Earnings July 1	1,369,922	6,072,602	806,278	51,058,261	1,588,691
Residual Equity Transfer Out					
Retained Earnings June 30	$ 1,735,178	$ 5,719,966	$ 3,156,235	$ 55,289,036	$ 664,385

		Department of Human Services			Totals for the Year Ended	
Port Authority at Gulfport	Mississippi Home Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment and Facilities Authority	Other	June 30, 1990	June 30, 1989
$ 3,504,232	$	$ 16,050,954	$	$ 8,285,106	$ 31,958,108	$ 29,968,043
	36,836,148		8,108,400		49,760,310	52,248,149
				320,041	320,041	365,905
	675,824		343,849	136,336	1,194,059	890,389
852,380		1,327		90,968	1,002,291	1,142,048
4,356,612	37,511,972	16,052,281	8,452,249	8,832,451	84,234,809	84,614,534
		8,972,858		6,606,484	15,579,342	15,064,895
1,097,210	430,068	4,238,028		4,817,367	12,189,049	11,370,785
2,317,170	1,575,340	1,698,778	831,073	1,952,002	11,394,770	10,691,694
226,097		307,283		492,702	1,316,618	1,373,016
	49,996,904		13,320,217		63,317,121	67,132,913
842,102		168,641		405,770	2,066,812	1,812,385
	1,023,636		253,238		1,276,874	1,685,696
15,808				37,067	221,295	375,151
4,498,387	53,025,948	15,385,588	14,404,528	14,311,392	107,361,881	109,506,535
(141,775)	(15,513,976)	666,693	(5,952,279)	(5,478,941)	(23,127,072)	(24,892,001)
						65,367
					2,547,811	
284,646	18,359,990	140,928	5,580,266	327,460	25,562,336	29,048,536
				32,823	44,291	188,654
284,646	18,359,990	140,928	5,580,266	360,283	28,154,438	29,302,557
		734		11,709	14,048	601,074
991,602				13,535	1,142,948	1,366,114
991,602		734		25,244	1,156,996	1,967,188
(848,731)	2,846,014	806,887	(372,013)	(5,143,902)	3,870,370	2,443,368
1,297,000				5,149,346	6,446,346	5,878,245
				(71,995)	(985,064)	(2,344,726)
448,269	2,846,014	806,887	(372,013)	(66,551)	9,331,652	5,976,887
3,278,652	25,214,860	3,311,673	1,621,387	11,004,166	105,326,492	99,349,605
				(148,692)	(148,692)	
$ 3,726,921	$ 28,060,874	$ 4,118,560	$ 1,249,374	$ 10,788,923	$ 114,509,452	$ 105,326,492

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

	Department of Economic and Community Development		Department of Environmental Quality	
	Mississippi Business Finance Corporation	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board
Cash Flows from Operating Activities:				
Cash received from customers	$ 65,130	$ 2,499,917	$	$ 1,385
Cash payments to suppliers for goods and services	(255,926)	(1,632,660)		(418,663)
Cash payments to employees for services	(166,768)	(784,158)		(274,552)
Other operating revenues	2,107	171		53,560
Other operating expenses				
Principal and interest received on program loans	15,820		3,354,234	9,328,026
Issuance of program loans			(1,689,271)	(5,863,200)
Net Cash Provided by (Used for) Operating Activities	(339,637)	83,270	1,664,963	2,826,556
Cash Flows from Noncapital Financing Activities:				
Operating transfers in				
Operating transfers out			(424,550)	
Residual equity transfer out				
Operating grants received			2,151,737	
Proceeds from sale of bonds				
Principal paid on bonds				
Interest paid on bonds				
Bond issuance costs				
Net Cash Provided by (Used for) Noncapital Financing Activities			1,727,187	
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets		(33,846)		(12,144)
Principal paid on bonds and equipment contracts		(45,000)		
Interest paid on bonds and equipment contracts		(137,759)		
Net Cash Used for Capital and Related Financing Activities		(216,605)		(12,144)
Cash Flows from Investing Activities:				
Sale (purchase) of investments, net	(4,040,436)	1,486	(3,944,232)	
Interest on investments	502,143	5,280	100,389	
Net Cash Provided by (Used for) Investing Activities	(3,538,293)	6,766	(3,843,843)	
Net Increase (Decrease) in Cash and Cash Equivalents	(3,877,930)	(126,569)	(451,693)	2,814,412
Cash and Cash Equivalents July 1	6,634,474	992,470	1,932,962	993,519
Cash and Cash Equivalents June 30	$ 2,756,544	$ 865,901	$ 1,481,269	$ 3,807,931

			Department of Human Services			Totals for the Year Ended
Veterans' Memorial Stadium Commission	Port Authority at Gulfport	Mississippi Home Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment and Facilities Authority	Other	June 30, 1990
$ 1,660,170	$ 3,269,718	$ 1,497,824	$ 15,791,017	$ 377,295	$ 8,581,425	$ 33,743,881
(1,828,054)	(2,470,521)	(1,955,349)	(11,195,780)	(864,513)	(8,950,157)	(29,571,623)
(330,962)	(1,076,719)	(430,068)	(4,151,058)		(4,723,664)	(11,937,949)
1,778	829,416		1,327		90,652	979,011
					(597)	(597)
		71,875,465		29,837,404		114,410,949
				(9,210,088)		(16,762,559)
(497,068)	551,894	70,987,872	445,506	20,140,098	(5,002,341)	90,861,113
	1,297,000				5,149,346	6,446,346
(367,984)					(71,995)	(864,529)
					(148,692)	(148,692)
						2,151,737
		117,395,000				117,395,000
		(178,079,172)		(8,965,000)		(187,044,172)
(12,821)		(45,434,901)		(13,105,207)		(58,552,929)
		(1,831,401)		(2,120,723)		(3,952,124)
(380,805)	1,297,000	(107,950,474)		(24,190,930)	4,928,659	(124,569,363)
(32,216)	(113,821)		(198,972)		(345,229)	(736,228)
	(1,363,612)				(229,580)	(1,638,192)
	(1,001,820)				(20,306)	(1,159,885)
(32,216)	(2,479,253)		(198,972)		(595,115)	(3,534,305)
(583,991)		19,335,678		5,183,312	(2,631,445)	13,320,372
171,025	286,284	17,928,765	133,042	5,083,562	304,348	24,514,838
(412,966)	286,284	37,264,443	133,042	10,266,874	(2,327,097)	37,835,210
(1,323,055)	(344,075)	301,841	379,576	6,216,042	(2,995,894)	592,655
1,627,106	3,574,898	46,323	1,478,410	1,104,670	5,734,111	24,118,943
$ 304,051	$ 3,230,823	$ 348,164	$ 1,857,986	$ 7,320,712	$ 2,738,217	$ 24,711,598

(Continued on Next Page)

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

(Continued from Previous Page)

	Department of Economic and Community Development		Department of Environmental Quality	
	Mississippi Business Finance Corporation	Fair Commission	Water Pollution Abatement Revolving Loan	Veterans' Home Purchase Board
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating income (loss)	$ (155,165)	$ (229,968)	$	$ 4,230,775
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest				
Depreciation	1,463	287,117		12,214
Amortization of bond issuance costs				
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable, net	13,867	(6,778)		
(Increase) decrease in interest receivable				5,775
(Increase) decrease in due from other governments		(117)	721,290	
(Increase) decrease in interfund receivables	28,522			
(Increase) decrease in inventories				
Decrease in prepaid expenses		45		10,281
(Increase) decrease in loans and notes receivable	3,600			(1,344,491)
Decrease in other assets				
Increase (decrease) in warrants payable	(57,202)	15,027	374,180	(97,465)
Increase (decrease) in accounts payable and accruals		15,084		10,089
Increase in due to other governments		1,676		
Increase (decrease) in interfund payables		1,184	569,493	(622)
Increase (decrease) in deferred revenue	(35,962)			
Decrease in other liabilities	(138,760)			
Total adjustments	(184,472)	313,238	1,664,963	(1,404,219)
Net Cash Provided by (Used for) Operating Activities	$ (339,637)	$ 83,270	$ 1,664,963	$ 2,826,556

Noncash Capital and Related Financing Activities:

During the fiscal year ended June 30, 1990, Fair Commission received $11,468 of donated machinery and equipment and Veterans' Memorial Stadium Commission received contributed capital of $3,170,000 through the assumption of $2,340,000 general obligation bonds by the General Fund and the assumption of $830,000 loan obligations by other governments.

			Department of Human Services			Totals for the Year Ended
Veterans' Memorial Stadium Commission	Port Authority at Gulfport	Mississippi Home Corporation	Mississippi Industries for the Blind	Mississippi Hospital Equipment and Facilities Authority	Other	June 30, 1990
$ (552,436)	$ (141,775)	$ (15,513,976)	$ 666,693	$ (5,952,279)	$ (5,478,941)	$ (23,127,072)
		49,996,904		13,320,217		63,317,121
349,505	842,102		168,641		405,770	2,066,812
		1,023,636		253,238		1,276,874
	(224,849)		(254,705)	33,446	(80,115)	(519,134)
		733,808		704,306		1,443,889
	(9,665)		10,843		(20,526)	701,825
(183,082)			(16,075)		(59,733)	(230,368)
			(339,951)		8,428	(331,523)
			7,999		26,367	44,692
		34,235,531		11,814,610		44,709,250
		59,559				59,559
(51,586)					3,402	186,356
859	80,062	(369,881)	198,271	(33,440)	231,213	132,257
					1,252	2,928
(60,328)	6,019	291	11,293		(6,890)	520,440
		822,000			(32,568)	753,470
			(7,503)			(146,263)
55,368	693,669	86,501,848	(221,187)	26,092,377	476,600	113,988,185
$ (497,068)	$ 551,894	$ 70,987,872	$ 445,506	$ 20,140,098	$ (5,002,341)	$ 90,861,113

Other Enterprise Funds

Combining Balance Sheet
June 30, 1990

	Department of Agriculture and Commerce		Department of Corrections		
	Division of Lime	Farmers' Central Market Board	Prison Industries	Restaurants	Commissary
Assets:					
Current assets:					
Cash and cash equivalents	$ 64	$ 43,709	$ 556,246	$ 40,611	$ 250,216
Investments					
Receivables, net:					
Accounts		7,037	90,401	228	44,853
Interest					
Due from other governments - current portion			1,115		
Interfund receivables			49,403		11,058
Inventories			170,578	11,398	93,299
Prepaid expenses			126		175
Total Current Assets	64	50,746	867,869	52,237	399,601
Land		38,280			
Buildings and improvements, net		919,488	93,969	17,202	
Machinery and equipment, net		25,411	689,518	27,289	100,319
Construction in progress					
Total Assets	$ 64	$ 1,033,925	$ 1,651,356	$ 96,728	$ 499,920
Liabilities:					
Current liabilities:					
Warrants payable	$ 64	$ 18,173	$ 70,177	$	$
Accounts payable and accruals		20,928	264,948	18,497	140,460
Due to other governments			1,252		
Interfund payables		25,167			
Current portion of long-term general obligation bonds					
Deferred revenues		723			
Total Current Liabilities	64	64,991	336,377	18,497	140,460
Loans and notes payable, net of current portion					
Loans from other funds		44,373			
Long-term obligation - general obligation bonds payable, net of current portion and unamortized discount					
Total Liabilities	64	109,364	336,377	18,497	140,460
Fund Equity:					
Contributed capital		8,312	296,941	5,933	
Retained earnings		916,249	1,018,038	72,298	359,460
Total Fund Equity		924,561	1,314,979	78,231	359,460
Total Liabilities and Fund Equity	$ 64	$ 1,033,925	$ 1,651,356	$ 96,728	$ 499,920

Forestry Commission	Department of Finance and Administration		Department of Human Services	Totals	
Tree Seedling	Bureau of Surplus Property	Yellow Creek Inland Port Authority	Allied Enterprises	June 30, 1990	June 30, 1989
$ 123,235	$ 305,539	$ 627,061	$ 791,536	$ 2,738,217	$ 5,734,111
		2,631,445		2,631,445	
	22,794	87,249	865,452	1,118,014	1,037,899
		23,112		23,112	
	56,580			57,695	37,169
	4,954			65,415	5,682
			160,984	436,259	444,687
				301	26,668
123,235	389,867	3,368,867	1,817,972	7,070,458	7,286,216
	100,000	1,498,975		1,637,255	1,502,754
	137,720	959,738		2,128,117	2,130,897
	30,557	408,123		1,281,217	1,373,887
					78,478
$ 123,235	$ 658,144	$ 6,235,703	$ 1,817,972	$ 12,117,047	$ 12,372,232
$	$ 34,363	$	$	$ 122,777	$ 119,375
	52,086	19,526	54,690	571,135	346,693
				1,252	
	1,362	1,169		27,698	34,588
		125,000		125,000	125,000
			119,513	120,236	152,804
	87,811	145,695	174,203	968,098	778,460
					79,500
				44,373	69,453
					125,000
	87,811	145,695	174,203	1,012,471	1,052,413
	4,467			315,653	315,653
123,235	565,866	6,090,008	1,643,769	10,788,923	11,004,166
123,235	570,333	6,090,008	1,643,769	11,104,576	11,319,819
$ 123,235	$ 658,144	$ 6,235,703	$ 1,817,972	$ 12,117,047	$ 12,372,232

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1990

	Department of Agriculture and Commerce		Department of Corrections		
	Division of Lime	Farmers' Central Market Board	Prison Industries	Restaurants	Commissary
Operating Revenues:					
Charges for sales and services	$	$	$ 386,191	$ 262,045	$ 1,848,170
Rentals		315,591			
Fees					
Other		1,854	5,680	2,792	69,272
Total Operating Revenues		317,445	391,871	264,837	1,917,442
Operating Expenses:					
Cost of sales and services			115,808	190,886	1,520,197
General and administrative		174,240	382,321	46,622	191,542
Contractual services		52,345	113,551	30,562	46,755
Commodities		8,152	389,450	17,892	9,254
Depreciation		34,305	67,066	2,730	7,407
Other		530	27,191	2,268	6,999
Total Operating Expenses		269,572	1,095,387	290,960	1,782,154
Operating Income (Loss)		47,873	(703,516)	(26,123)	135,288
Nonoperating Revenues:					
Insurance recovery					
Interest				2,194	9,790
Other					32,823
Total Nonoperating Revenues				2,194	42,613
Nonoperating Expenses:					
Loss on disposal of assets		109		195	8,402
Interest		4,233			
Total Nonoperating Expenses		4,342		195	8,402
Income (Loss) Before Operating Transfers		43,531	(703,516)	(24,124)	169,499
Operating Transfers In		7,277	362,782	19,043	13,238
Operating Transfers Out		(11)			(71,984)
Net Income (Loss)		50,797	(340,734)	(5,081)	110,753
Retained Earnings July 1	148,692	865,452	1,358,772	77,379	248,707
Residual Equity Transfer Out	(148,692)				
Retained Earnings June 30	$ 0	$ 916,249	$ 1,018,038	$ 72,298	$ 359,460

Forestry Commission	Department of Finance and Administration		Department of Human Services	Totals for the Year Ended	
Tree Seedling	Bureau of Surplus Property	Yellow Creek Inland Port Authority	Allied Enterprises	June 30, 1990	June 30, 1989
$	$ 563,814	$ 396,112	$ 4,828,774	$ 8,285,106	$ 7,828,210
		4,450		320,041	365,905
		136,336		136,336	136,964
	316		11,054	90,968	132,023
	564,130	536,898	4,839,828	8,832,451	8,463,102
			4,779,593	6,606,484	6,156,924
	436,522	264,118	3,322,002	4,817,367	4,363,434
	71,026	198,195	1,439,568	1,952,002	1,664,338
	36,046	31,908		492,702	658,737
	21,203	273,059		405,770	387,388
		79		37,067	38,723
	564,797	767,359	9,541,163	14,311,392	13,269,544
	(667)	(230,461)	(4,701,335)	(5,478,941)	(4,806,442)
					473
		277,037	38,439	327,460	348,413
				32,823	188,654
		277,037	38,439	360,283	537,540
		3,003		11,709	604,584
		9,302		13,535	15,040
		12,305		25,244	619,624
	(667)	34,271	(4,662,896)	(5,143,902)	(4,888,526)
			4,747,006	5,149,346	4,581,245
				(71,995)	(1,094,726)
	(667)	34,271	84,110	(66,551)	(1,402,007)
123,235	566,533	6,055,737	1,559,659	11,004,166	12,406,173
				(148,692)	
$ 123,235	$ 565,866	$ 6,090,008	$ 1,643,769	$ 10,788,923	$ 11,004,166

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

	Department of Agriculture and Commerce		Department of Corrections		
	Division of Lime	Farmers' Central Market Board	Prison Industries	Restaurants	Commissary
Cash Flows from Operating Activities:					
Cash received from customers	$	$ 315,177	$ 340,082	$ 264,963	$ 1,867,732
Cash payments to suppliers for goods and services	(6,242)	(53,808)	(490,537)	(240,338)	(1,583,215)
Cash payments to employees for services		(176,650)	(325,979)	(46,679)	(185,136)
Other operating revenues		1,854	5,680	2,792	69,272
Other operating expenses		(530)	(67)		
Net Cash Provided by (Used for) Operating Activities	(6,242)	86,043	(470,821)	(19,262)	168,653
Cash Flows from Noncapital Financing Activities:					
Operating transfers in		7,277	362,782	19,043	13,238
Operating transfers out		(11)			(71,984)
Residual equity transfer out	(148,692)				
Net Cash Provided by (Used for) Noncapital Financing Activities	(148,692)	7,266	362,782	19,043	(58,746)
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets		(9,885)	(133,631)	(149)	(50,595)
Principal paid on bonds and equipment contracts		(104,580)			
Interest paid on bonds and equipment contracts		(8,556)			
Net Cash Used for Capital and Related Financing Activities		(123,021)	(133,631)	(149)	(50,595)
Cash Flows from Investing Activities:					
Sale (purchase) of investments, net					
Interest on investments				2,194	9,790
Net Cash Provided by (Used for) Investing Activities				2,194	9,790
Net Increase (Decrease) in Cash and Cash Equivalents	(154,934)	(29,712)	(241,670)	1,826	69,102
Cash and Cash Equivalents July 1	154,998	73,421	797,916	38,785	181,114
Cash and Cash Equivalents June 30	$ 64	$ 43,709	$ 556,246	$ 40,611	$ 250,216

Forestry Commission	Department of Finance and Administration		Department of Human Services	Totals for the Year Ended
Tree Seedling	Bureau of Surplus Property	Yellow Creek Inland Port Authority	Allied Enterprises	June 30, 1990
$	$ 544,079	$ 524,400	$ 4,724,992	$ 8,581,425
	(129,791)	(236,862)	(6,209,364)	(8,950,157)
	(413,404)	(254,180)	(3,321,636)	(4,723,664)
			11,054	90,652
				(597)
	884	33,358	(4,794,954)	(5,002,341)
			4,747,006	5,149,346
				(71,995)
				(148,692)
			4,747,006	4,928,659
	(13,318)	(137,651)		(345,229)
		(125,000)		(229,580)
		(11,750)		(20,306)
	(13,318)	(274,401)		(595,115)
		(2,631,445)		(2,631,445)
		253,925	38,439	304,348
		(2,377,520)	38,439	(2,327,097)
	(12,434)	(2,618,563)	(9,509)	(2,995,894)
123,235	317,973	3,245,624	801,045	5,734,111
$ 123,235	$ 305,539	$ 627,061	$ 791,536	$ 2,738,217

(Continued on Next Page)

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

(Continued from Previous Page)

	Department of Agriculture and Commerce		Department of Corrections		
	Division of Lime	Farmers' Central Market Board	Prison Industries	Restaurants	Commissary
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating income (loss)	$	$ 47,873	$ (703,516)	$ (26,123)	$ 135,288
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation		34,305	67,066	2,730	7,407
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable, net		(414)	(6,342)	2,167	30,620
(Increase) decrease in due from other governments			5,117	751	
Increase in interfund receivables			(44,884)		(11,058)
(Increase) decrease in inventories			16,818	1,253	(11,521)
(Increase) decrease in prepaid expenses			(126)		(160)
Increase (decrease) in warrants payable	64	3,848	3,214		
Increase (decrease) in accounts payable and accruals	(4,866)	(24,247)	191,881	(40)	23,068
Increase in due to other governments			1,252		
Increase (decrease) in interfund payables	(1,440)	23,965	(1,301)		(4,991)
Increase (decrease) in deferred revenue		713			
Total adjustments	(6,242)	38,170	232,695	6,861	33,365
Net Cash Provided by (Used for) Operating Activities	$ (6,242)	$ 86,043	$ (470,821)	$ (19,262)	$ 168,653

Noncash Capital and Related Financing Activities:

During the fiscal year ended June 30, 1990, Department of Corrections, Commissary received $32,823 of donated machinery and equipment.

Forestry Commission	**Department of Finance and Administration**		**Department of Human Services**	**Totals for the Year Ended**
Tree Seedling	Bureau of Surplus Property	**Yellow Creek Inland Port Authority**	Allied Enterprises	June 30, 1990
$	$ (667)	$ (230,461)	$ (4,701,335)	$ (5,478,941)
	21,203	273,059		405,770
	10,134	(12,498)	(103,782)	(80,115)
	(26,394)			(20,526)
	(3,791)			(59,733)
			1,878	8,428
			26,653	26,367
	(3,724)			3,402
	16,115	3,389	25,913	231,213
				1,252
	(11,992)	(131)	(11,000)	(6,890)
			(33,281)	(32,568)
	1,551	263,819	(93,619)	476,600
$ 0	$ 884	$ 33,358	$ (4,794,954)	$ (5,002,341)

MISSISSIPPI ECONOMIC TASK FORCE REPORT:

Developing long-term strategy for economic revitalization and global competition.

The primary objective of the Special Task Force for Economic Development Planning was to develop a long-term strategy to revitalize Mississippi's economy and help it become globally competitive.

The 36-member task force was created by the Mississippi Legislature and appointed by the governor. Four committees were created within the task force: finance; human resources; economic process; and government, legal, regulatory and infrastructure. The task force held seven regional congresses with participation from more than 500 business and community leaders across Mississippi to assist in its work. A survey of approximately 8,000 Mississippi employers was conducted, and focus group meetings with citizens were held in three locations in the state.

The principal goal of the task force plan is to create a society that supports a rising standard of living for all Mississippians. Attaining this goal will require a strong commitment by every individual, business and community in the state to mobilize their available resources to achieve global competition. Commitments that will create competitive people, businesses and communities are the focus of the task force report and its recommendations. The commitment made in its plan is: "If you invest in yourselves, we will invest in you."

In creating competitive people, the task force found that there is a profound mismatch in Mississippi today between the increasing skill levels of future workers. More than half of tomorrow's jobs will require some college-level skills, but nearly half of Mississippi's current work force does not even have a high school education. As a result, Mississippi needs to make a commitment to its people -- a commitment to a system of life-long investments in human resources. In turn, Mississippians need to make a commitment to themselves -- to pursue education and skill development persistently, throughout life, to secure the opportunities and obtain the benefits presented by a new Mississippi economy.

In examining ways to create competitive businesses, the task force found that Mississippi growth during the 1980's was due primarily to the success of small and medium size businesses. New job creators in the manufacturing sector, have been companies employing between 20 to 249 workers. These companies added approximately 22,000 jobs in the 1980's, while companies employing 500 and above lost approximately 19,000 jobs in the same period.

As a result of these findings, the task force recommended that the fastest and ultimately the best way Mississippi could achieve its goal of a rising standard of living and greater control over its own economic destiny is to help existing Mississippi-based businesses become global competitors and encourage those Mississippians who want to create their own businesses to do so.

To create competitive communities, the task force found that it will require overcoming generations of underinvestment which has left most Mississippi communities poorly prepared to accommodate or plan for the needs of businesses emerging in the state's new economy. Accordingly, the state's fundamental strategy for creating competitive communities should be to support community-based economic development. Local initiatives to analyze the community's economy and the forces affecting it are needed. Available resources to build upon assets and correct liabilities must be organized. Leadership to turn those assets into home-grown business development and attraction strategies must be developed. The motivation for these initiatives must come from the communities themselves, but the state has a responsibility to foster and support local initiatives.

The strategic recommendations presented in the task force report address the steps Mississippians need to take now to create a rising standard of living for all its citizens through the creation of a new revitalized economy that will be globally competitive.

continued on page 138

Internal Service Funds

Internal service funds account for the operations of State agencies that provide services or goods to other State agencies or governmental units on a cost reimbursement basis.

Internal Service Funds Descriptions

Personnel Board	**Personnel Administration Fund** - accounts for the expenses of establishing personnel policies, regulating the pay of State employees and testing and validating new hires. Revenues consist of assessments charged to State agencies based on the number of authorized positions.
Central Data Processing Authority	**Data Processing Services Fund** - accounts for the purchase, maintenance and operation of centralized data processing and information devices used by State agencies. Revenues consist of charges to user agencies.
	Planning and Policy Fund - accounts for expenses related to planning and policies for the development of data processing capabilities for State agencies. Revenues consist of charges to user agencies.
	Telecommunications Fund - accounts for the maintenance, coordination and usage of the State's central telephone system and the universities' central telephone systems. Revenues consist of charges to user agencies and universities for service and equipment.
	Super Computer Operations Fund - accounts for the acquisition, installation and operation of the super computer. Revenues consist of charges to user agencies, universities and the medical center.

Internal Service Funds

Combining Balance Sheet
June 30, 1990

	Personnel Board	Central Data Processing Authority	
	Personnel Administration	Data Processing Services	Planning and Policy
Assets:			
Current assets:			
Cash and cash equivalents	$ 1,271,454	$ 2,775,733	$ 631,714
Accounts receivable, net		1,891	
Due from other governments		422	
Interfund receivables	130,302	1,103,608	334,804
Prepaid expenses			
Total Current Assets	1,401,756	3,881,654	966,518
Machinery and equipment, net	149,277	6,394,113	139,955
Total Assets	$ 1,551,033	$ 10,275,767	$ 1,106,473
Liabilities:			
Current liabilities:			
Warrants payable	$ 192,706	$ 789,515	$ 110,410
Accounts payable and accruals	144,464	214,100	96,216
Due to other governments		375	
Interfund payables	19,275	26,038	12,361
Deferred revenue			
Lease obligations payable, current portion		1,523,523	
Total Current Liabilities	356,445	2,553,551	218,987
Lease obligations payable, net of current portion		1,938,250	
Total Liabilities	356,445	4,491,801	218,987
Fund Equity:			
Retained earnings, unreserved	1,194,588	5,783,966	887,486
Total Liabilities and Fund Equity	$ 1,551,033	$ 10,275,767	$ 1,106,473

		Totals	
Tele-communications	Super Computer	June 30, 1990	June, 30 1989
$ 1,320,365	$ 35,171	$ 6,034,437	$ 6,514,357
11,659		13,550	12,149
4,266		4,688	9,853
371,316		1,940,030	1,323,767
			4,485
1,707,606	35,171	7,992,705	7,864,611
1,741,071		8,424,416	5,167,179
$ 3,448,677	$ 35,171	$ 16,417,121	$ 13,031,790
$ 131,104	$ 35,171	$ 1,258,906	$ 686,196
542,897		997,677	843,210
		375	
8,738		66,412	102,904
			1,385
50,939		1,574,462	215,444
733,678	35,171	3,897,832	1,849,139
		1,938,250	62,834
733,678	35,171	5,836,082	1,911,973
2,714,999		10,581,039	11,119,817
$ 3,448,677	$ 35,171	$ 16,417,121	$ 13,031,790

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
For the Year Ended June 30, 1990

	Personnel Board	Central Data Processing Authority	
	Personnel Administration	Data Processing Services	Planning and Policy
Operating Revenues:			
Charges for goods and services	$ 3,255,477	$ 5,940,657	$ 1,698,546
Other	15,402	18,152	
Total Operating Revenues	3,270,879	5,958,809	1,698,546
Operating Expenses:			
Personal services:			
Salaries, wages and fringe benefits	1,798,503	1,937,355	1,376,360
Travel	22,859	20,992	18,300
Contractual services	699,772	1,932,257	122,986
Commodities	67,454	216,488	14,186
Depreciation	46,838	1,419,419	36,356
Other		22	
Total Operating Expenses	2,635,426	5,526,533	1,568,188
Operating Income (Loss)	635,453	432,276	130,358
Nonoperating Expenses:			
Loss on disposal of assets	42,403	786,584	8,913
Interest		247,186	
Total Nonoperating Expenses	42,403	1,033,770	8,913
Income (Loss) Before Operating Transfers	593,050	(601,494)	121,445
Operating Transfers In		299,544	
Operating Transfers Out		(811,595)	
Net Income (Loss)	593,050	(1,113,545)	121,445
Retained Earnings July 1	601,538	6,897,511	766,041
Retained Earnings June 30	$ 1,194,588	$ 5,783,966	$ 887,486

		Totals for the Year Ended	
Tele-communications	Super Computer	June 30, 1990	June 30, 1989
$ 4,899,254	$	$ 15,793,934	$ 14,325,135
1,924		35,478	24,766
4,901,178		15,829,412	14,349,901
575,281		5,687,499	5,375,336
16,501		78,652	118,161
3,339,233		6,094,248	5,828,849
112,014		410,142	319,194
1,039,616		2,542,229	1,588,576
32,556		32,578	50,299
5,115,201		14,845,348	13,280,415
(214,023)		984,064	1,069,486
143,518		981,418	92,971
14,579		261,765	35,242
158,097		1,243,183	128,213
(372,120)		(259,119)	941,273
232,392	1,475,880	2,007,816	2,115,557
	(1,475,880)	(2,287,475)	(4,350,355)
(139,728)		(538,778)	(1,293,525)
2,854,727		11,119,817	12,413,342
$ 2,714,999	$ 0	$ 10,581,039	$ 11,119,817

Internal Service Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

	Personnel Board	Central Data Processing Authority	
	Personnel Administration	Data Processing Services	Planning and Policy
Cash Flows from Operating Activities:			
Cash received from customers	$ 3,199,638	$ 5,479,975	$ 1,644,369
Cash payments to suppliers for goods and services	(782,544)	(1,686,450)	(138,962)
Cash payments to employees for services	(1,794,512)	(1,933,444)	(1,357,120)
Other operating revenues	15,202	18,152	
Net Cash Provided by (Used for) Operating Activities	637,784	1,878,233	148,287
Cash Flows from Noncapital Financing Activities:			
Operating transfers in		299,544	
Operating transfers out		(811,595)	
Net Cash Provided by (Used for) Noncapital Financing Activities		(512,051)	
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(46,688)	(1,604,689)	(30,366)
Principal paid on capital lease contracts		(1,192,880)	
Interest paid on capital lease contracts		(247,186)	
Net Cash Used for Capital and Related Financing Activities	(46,688)	(3,044,755)	(30,366)
Net Increase (Decrease) in Cash and Cash Equivalents	591,096	(1,678,573)	117,921
Cash and Cash Equivalents July 1	680,358	4,454,306	513,793
Cash and Cash Equivalents June 30	$ 1,271,454	$ 2,775,733	$ 631,714
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	$ 635,453	$ 432,276	$ 130,358
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	46,838	1,419,419	36,356
Other	(200)		
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable, net	278	(1,891)	
Decrease in due from other governments		936	3,971
Increase in interfund receivables	(56,117)	(459,727)	(58,148)
Decrease in prepaid expenses			
Increase (decrease) in warrants payable	23,654	519,982	11,390
Increase (decrease) in accounts payable and accruals	1,729	(20,160)	18,873
Increase in due to other governments		375	
Increase (decrease) in interfund payables	(12,466)	(12,977)	5,487
Decrease in deferred revenue	(1,385)		
Total adjustments	2,331	1,445,957	17,929
Net Cash Provided by (Used for) Operating Activities	$ 637,784	$ 1,878,233	$ 148,287

Noncash Capital and Related Financing Activities:

During the fiscal year ended June 30, 1990, Data Processing Services entered into two capital lease agreements to purchase computer equipment totaling $5,620,778. Payments on the new leases included a down payment of $1,000,000, principal payments of $1,167,798, and interest payments of $245,771.

		Totals for the Year Ended
Tele-communications	Super Computer	June 30, 1990
$ 4,857,453	$	$ 15,181,435
(3,268,745)	(7,524)	(5,884,225)
(582,329)		(5,667,405)
1,924		35,278
1,008,303	(7,524)	3,665,083
232,392	1,475,880	2,007,816
	(1,475,880)	(2,287,475)
232,392		(279,659)
(535,492)		(2,217,235)
(193,464)		(1,386,344)
(14,579)		(261,765)
(743,535)		(3,865,344)
497,160	(7,524)	(479,920)
823,205	42,695	6,514,357
$ 1,320,365	$ 35,171	$ 6,034,437
$ (214,023)	$	$ 984,064
1,039,616		2,542,229
		(200)
212		(1,401)
258		5,165
(42,271)		(616,263)
4,485		4,485
25,208	(7,524)	572,710
211,354		211,796
		375
(16,536)		(36,492)
		(1,385)
1,222,326	(7,524)	2,681,019
$ 1,008,303	$ (7,524)	$ 3,665,083

MISSISSIPPI COMMISSION ON WORK FORCE EXCELLENCE:

Increasing economic competitiveness and opportunities for the existing and potential work force.

Mississippi is progressively responding to the new challenges facing business and industry today and making the most of new federal initiatives in the area of work force preparation through the creation of the Mississippi Commission on Work Force Excellence.

The commission was created by Governor Ray Mabus to assist state government in shaping policies that will increase the state's economic competitiveness and opportunities for the existing and potential work force. To develop responsive solutions, Mabus appointed 23 of Mississippi's top business and community leaders to the commission.

The Commission on Work Force Excellence has three primary goals. The first goal is to synthesize information available at national, state and local levels about the relationship between the existing and potential job market and the skills needed to successfully obtain employment and adapt to new technology or labor market conditions. The second goal is to establish linkages between the business and education communities to develop new strategies and expand upon successful programs that improve the job-related basic and technical skills of the current and potential work force. The final goal is to develop a specific action plan for instituting an accountable, cost-effective worker training system.

An 18-month timetable has been set for the work of the commission, running through January 1, 1992. The commission's tentative agenda includes: gathering information, July 1, 1990-January 30, 1991; defining the issues, February, 1991; setting goals and objectives, March-April, 1991; developing strategies, May-November, 1991; providing recommendations to the governor, November, 1991; holding conference announcing study and discussing recommendations, December, 1991; and beginning implementation of strategies and building accountability, January, 1992.

The commission will be augmented and informed by a number of on-going work force efforts: findings from evaluations of the Job Training Partnership Act and the vocational education program will be made available through the winter of 1991; results of an adult basic skills assessment, undertaken by Mississippi State University, will be available to the commission in January, 1991; the commission will be apprised of the relevant findings of employer surveys and focus group discussion on work force issues; models of school-to-work transition programs will provide on-going reports of their activities to the commission through the Jobs for Mississippi's Graduates Office; and workplace literacy programs, developed by the State Department of Education, the Department of Economic and Community Development and the Office for Literacy, will supply examples of promising practices in the implementation of the Basic Skills Tax Credit Program.

"With the increasing use of high technology in a growing number of industries, it is vital for Mississippi to have a work force that will be ready and able to learn new methods in a short period of time," Mabus said. "The Commission on Work Force Excellence will help to build the foundation for success of Mississippi industries in the 1990's and beyond. We want the world to know that Mississippi is serious about doing business."

Photo by Jackson Hill/Southern Lights Photography

Trust and Agency Funds

Trust and agency funds account for assets held by the State in a fiduciary capacity.

Significant Trust and Agency Funds Descriptions

Expendable Trust Funds

Department of Finance and Administration

Group Insurance Fund - accounts for resources and transactions pertaining to the State's self-insured medical plan and life insurance program. State employees' premiums are funded by the State. Additional funding is provided by retired employees and by active employees for spouse and dependent medical coverage. Administrative expenses and benefits to eligible claimants are paid from this fund.

State Employees' Unemployment Insurance Fund - accounts for unemployment benefits paid to eligible former State employees. Funding is provided by premiums collected from the State's operating funds.

Employment Security Commission

Unemployment Compensation Fund - accounts for the collection of unemployment insurance taxes from employers and the payment of unemployment benefits to eligible claimants. Funds are also provided by the federal government and interest income. Administrative expenses incurred by the Employment Security Commission are accounted for in a special revenue fund.

Nonexpendable Trust Funds

Treasurer

Oil and Gas Taxes on State-owned Land Fund - accounts for oil and gas royalties collected on State-owned lands and transferred from the General Fund. The principal is required by statute to remain inviolate. Income derived from investment of the principal may be appropriated by the Legislature for specific uses.

Pension Trust Funds

Public Employees' Retirement System

Public Employees' Retirement System Fund - provides retirement and disability benefits to substantially all employees of the State and its political subdivisions. Benefits are funded by contributions from the members, the State, and political subdivisions and by investment income.

Highway Safety Patrol Retirement System Fund - provides retirement and disability benefits to uniformed officers of the Department of Public Safety. Benefits are funded by contributions from the members and the State and by investment income.

Municipal Retirement System Fund - provides retirement and disability benefits to employees, firemen, and policemen of 19 municipalities. Benefits are funded by contributions from the members and the municipalities and by investment income.

Supplemental Legislative Retirement Plan Fund - provides retirement and disability benefits supplemental to the benefits of the Public Employees' Retirement System to all elected members of the Legislature and the president of the Senate. Benefits are funded by contributions from the members and the State and by investment income.

Agency Funds

Deferred Compensation Plan Fund - accounts for deposits of gross compensation deferred by employees of the State and its political subdivisions. These deposits are invested until retirement, severance from public service, death, or extreme hardship of the individual participants.

Social Security Fund - accounts for contributions received or due from the State and the various political subdivisions that are due to the federal Social Security Administration.

Local Government Distributive Fund - serves as a clearing mechanism for funds distributed to the various counties and municipalities of the State.

Program Fund - accounts for receipt of various taxes, refundable deposits, inventories, and other monies collected or recovered to be held until the State has the right or obligation to distribute them to State operating funds or to various entities or individuals.

Institutional Fund - accounts for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

Highway Refunded Bonds Fund - serves as a clearing mechanism to account for monies earned on escrow funds held for highway bonds that have been fully defeased. The funds are transferred to the paying agent to pay bonds and coupons that mature.

Trust and Agency Funds

Combining Balance Sheet
June 30, 1990

	Trust				Totals	
	Expendable	Nonexpendable	Pension	Agency	June 30, 1990	June 30, 1989
Assets:						
Cash and cash equivalents	$ 8,126,136	$ 1,933,355	$ 14,288,708	$ 15,366,973	$ 39,715,172	$ 47,656,015
Amount on deposit with U.S. Treasury	379,465,101				379,465,101	374,287,874
Investments	11,457,400	18,026,421	4,396,279,664	120,969,009	4,546,732,494	4,049,701,471
Receivables, net:						
Taxes	20,823,685				20,823,685	21,972,054
Securities sold			18,084,000		18,084,000	38,807,898
Interest and dividends	8,877,721	375,038	59,444,098	331,450	69,028,307	63,418,545
Contributions			36,980,381	1,392,181	38,372,562	25,199,108
Other	2,345,870	7,232		4,150,330	6,503,432	6,501,965
Due from other governments	738,938				738,938	839,669
Interfund receivables	10,023,000		175,776,862	1,132,461	186,932,323	170,312,262
Commodity inventory				196,575	196,575	220,543
Loans to other funds	1,029,440				1,029,440	1,045,815
Land			508,000		508,000	508,000
Buildings, net			3,099,744		3,099,744	3,188,307
Improvements other than buildings, net			104,693		104,693	108,978
Machinery and equipment, net			1,171,453		1,171,453	647,344
Total Assets	$ 442,887,291	$ 20,342,046	$ 4,705,737,603	$ 143,538,979	$ 5,312,505,919	$ 4,804,415,848
Liabilities:						
Warrants payable	$ 3,696	$	$ 238,143	$ 507,158	$ 748,997	$ 1,081,204
Accounts payable and accruals	19,228,046		45,831,897	380,798	65,440,741	93,144,209
Due to other governments	25,531			1,684,102	1,709,633	1,276,818
Interfund payables	428,608		176,741,731	8,050,068	185,220,407	165,933,242
Amounts held in custody for others				132,916,853	132,916,853	124,007,507
Obligations under reverse repurchase agreements			244,442,500		244,442,500	195,374,417
Deferred revenues	9,952				9,952	23,818
Other	103,420				103,420	151,468
Total Liabilities	19,799,253		467,254,271	143,538,979	630,592,503	580,992,683
Fund Balances:						
Reserved for:						
Pension benefits			4,238,483,332		4,238,483,332	3,771,238,808
Unemployment compensation benefits	413,352,573				413,352,573	408,478,478
Loans to other funds	1,029,440				1,029,440	1,045,815
Other		19,260,931			19,260,931	18,969,409
Unreserved:						
Designated for life and health insurance benefits	2,088,184				2,088,184	11,679,759
Designated for unemployment compensation benefits	6,560,304				6,560,304	10,634,775
Undesignated	57,537	1,081,115			1,138,652	1,376,121
Total Fund Balances	423,088,038	20,342,046	4,238,483,332		4,681,913,416	4,223,423,165
Total Liabilities and Fund Balances	$ 442,887,291	$ 20,342,046	$ 4,705,737,603	$ 143,538,979	$ 5,312,505,919	$ 4,804,415,848

Expendable Trust Funds

Combining Balance Sheet
June 30, 1990

	Department of Finance and Administration		Employment Security Commission		Totals	
	Group Insurance	State Employees' Unemployment Insurance	Unemployment Compensation	Other	June 30, 1990	June 30, 1989
Assets:						
Cash and cash equivalents	$ 1,724,307	$ 6,323,749	$ 14,382	$ 63,698	$ 8,126,136	$ 11,439,447
Amount on deposit with U.S. Treasury			379,465,101		379,465,101	374,287,874
Investments	11,457,400				11,457,400	22,658,622
Receivables, net:						
Taxes			20,823,685		20,823,685	21,972,054
Interest	260,649		8,617,072		8,877,721	8,470,525
Other	1,532,306		710,114	103,450	2,345,870	1,170,335
Due from other governments	7,769		731,169		738,938	839,669
Interfund receivables	5,297,217	586,555	4,139,228		10,023,000	9,057,289
Loans to other funds		925,720	103,720		1,029,440	1,045,815
Total Assets	$ 20,279,648	$ 7,836,024	$ 414,604,471	$ 167,148	$ 442,887,291	$ 450,941,630
Liabilities:						
Warrants payable	$	$	$	$ 3,696	$ 3,696	$ 286,619
Accounts payable and accruals	18,191,464	72,389	961,698	2,495	19,228,046	17,671,818
Due to other governments			25,531		25,531	552,505
Interfund payables		277,611	150,997		428,608	315,534
Deferred revenues			9,952		9,952	23,818
Other liabilities				103,420	103,420	151,468
Total Liabilities	18,191,464	350,000	1,148,178	109,611	19,799,253	19,001,762
Fund Balances:						
Reserved for:						
Unemployment compensation benefits			413,352,573		413,352,573	408,478,478
Loans to other funds		925,720	103,720		1,029,440	1,045,815
Unreserved:						
Designated for life and health insurance benefits	2,088,184				2,088,184	11,679,759
Designated for unemployment compensation benefits		6,560,304			6,560,304	10,634,775
Undesignated				57,537	57,537	101,041
Total Fund Balances	2,088,184	7,486,024	413,456,293	57,537	423,088,038	431,939,868
Total Liabilities and Fund Balances	$ 20,279,648	$ 7,836,024	$ 414,604,471	$ 167,148	$ 442,887,291	$ 450,941,630

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 1990

	Department of Finance and Administration		Employment Security Commission		Totals for the Year Ended	
	Group Insurance	State Employees' Unemployment Insurance	Unemployment Compensation	Other	June 30, 1990	June 30, 1989
Revenues:						
Taxes	$	$	$ 64,627,420	$	$ 64,627,420	$ 63,257,450
Employer premiums	65,658,613	2,756,636			68,415,249	60,944,494
Federal government			3,348,260		3,348,260	3,262,187
Interest	1,695,813		34,209,824	1,777	35,907,414	34,082,916
Other	720,933			40,295	761,228	533,080
Total Revenues	68,075,359	2,756,636	102,185,504	42,072	173,059,571	162,080,127
Expenditures:						
General government:						
Benefits	75,562,209	1,331,107			76,893,316	64,779,325
Administrative fees	2,104,725			85,576	2,190,301	1,699,182
Health and social services:						
Benefits			97,327,784		97,327,784	94,084,438
Total Expenditures	77,666,934	1,331,107	97,327,784	85,576	176,411,401	160,562,945
Excess of Revenues over (under) Expenditures	(9,591,575)	1,425,529	4,857,720	(43,504)	(3,351,830)	1,517,182
Other Financing Sources (Uses):						
Operating transfers out						(2,192)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(9,591,575)	1,425,529	4,857,720	(43,504)	(3,351,830)	1,514,990
Fund Balances July 1	11,679,759	11,560,495	408,598,573	101,041	431,939,868	430,424,878
Residual Equity Transfer Out		(5,500,000)			(5,500,000)	
Fund Balances June 30	$ 2,088,184	$ 7,486,024	$ 413,456,293	$ 57,537	$ 423,088,038	$ 431,939,868

Nonexpendable Trust Funds

Combining Balance Sheet
June 30, 1990

	Treasurer		Totals	
	Oil and Gas Taxes on State-owned Land	Other	June 30, 1990	June 30, 1989
Assets:				
Current assets:				
Cash and cash equivalents	$ 1,919,081	$ 14,274	$ 1,933,355	$ 152,141
Investments	5,194,143	31,173	5,225,316	19,889,493
Receivables, net:				
Accounts	7,232		7,232	8,731
Interest	374,176	862	375,038	194,124
Total Current Assets	7,494,632	46,309	7,540,941	20,244,489
Long-term investments	12,781,105	20,000	12,801,105	
Total Assets	$ 20,275,737	$ 66,309	$ 20,342,046	$ 20,244,489
Fund Balances:				
Reserved for:				
Scholarships	$	$ 20,000	$ 20,000	$ 20,000
Books and historical manuscripts		5,000	5,000	5,000
Student activities		7,188	7,188	36,893
Education and vocational training	19,220,743		19,220,743	18,899,516
Other		8,000	8,000	8,000
Unreserved	1,054,994	26,121	1,081,115	1,275,080
Total Fund Balances	$ 20,275,737	$ 66,309	$ 20,342,046	$ 20,244,489

Nonexpendable Trust Funds

Combining Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended June 30, 1990

	Treasurer		Totals for the Year Ended	
	Oil and Gas Taxes on State-owned Land	Other	June 30, 1990	June 30, 1989
Operating Revenues:				
Interest and other investment income, net	$ 1,805,988	$ 5,535	$ 1,811,523	$ 1,639,362
Oil and gas royalties	287,025		287,025	375,282
Donations	34,202		34,202	17,553
Total Operating Revenues	2,127,215	5,535	2,132,750	2,032,197
Operating Expenses:				
Scholarships		4,399	4,399	1,850
Administrative	111		111	1,201
Total Operating Expenses	111	4,399	4,510	3,051
Operating Income Befor Operating Transfers	2,127,104	1,136	2,128,240	2,029,146
Operating Transfers Out	(2,000,000)	(30,683)	(2,030,683)	(998,732)
Net Income (Loss)	127,104	(29,547)	97,557	1,030,414
Fund Balances July 1	20,148,633	95,856	20,244,489	19,214,075
Fund Balances June 30	$ 20,275,737	$ 66,309	$ 20,342,046	$ 20,244,489

Nonexpendable Trust Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 1990

	Treasurer		Totals for the Year Ended
	Oil and Gas Taxes on State-owned Land	Other	June 30, 1990
Cash Flows from Operating Activities:			
Scholarships paid	$	$ (4,399)	$ (4,399)
Cash paid to suppliers	(111)		(111)
Net Cash Used for Operating Activities	(111)	(4,399)	(4,510)
Cash Flows from Noncapital Financing Activities:			
Operating transfers out	(2,000,000)	(30,683)	(2,030,683)
Net Cash Used for Noncapital Financing Activities	(2,000,000)	(30,683)	(2,030,683)
Cash Flows from Investing Activities:			
Sale (purchase) of investments, net	1,914,245	(51,173)	1,863,072
Interest on investments	1,948,016	5,319	1,953,335
Net Cash Provided by (Used for) Investing Activities	3,862,261	(45,854)	3,816,407
Net Increase (Decrease) in Cash and Cash Equivalents	1,862,150	(80,936)	1,781,214
Cash and Cash Equivalents July 1	56,931	95,210	152,141
Cash and Cash Equivalents June 30	$ 1,919,081	$ 14,274	$ 1,933,355

	Treasurer: Oil and Gas Taxes on State-owned Land	Other	Totals for the Year Ended June 30, 1990
Reconcilation of Operating Income to Net Cash Used for Operating Activities:			
Operating income	$ 2,127,104	$ 1,136	$ 2,128,240
Adjustments to reconcile operating income to net cash used for operating activities:			
Interest on investments	(1,948,016)	(5,319)	(1,953,335)
Changes in assets and liabilities:			
Decrease in accounts receivable, net	1,499		1,499
Increase in interest receivable	(180,698)	(216)	(180,914)
Total adjustments	(2,127,215)	(5,535)	(2,132,750)
Net Cash Used for Operating Activities	$ (111)	$ (4,399)	$ (4,510)

Combining Balance Sheet
June 30, 1990

	Public Employees' Retirement System	Highway Safety Patrol Retirement System	Municipal Retirement System
Assets:			
Current assets:			
Cash and cash equivalents	$ 14,278,954	$ 1,291	$ 2,544
Investments	4,396,279,664		
Receivables, net:			
Securities sold	18,084,000		
Interest	55,274,062		
Dividends	4,170,036		
Contributions	36,029,533	371,040	563,838
Interfund receivables	13,466	93,599,629	81,754,016
Total Current Assets	4,524,129,715	93,971,960	82,320,398
Land	508,000		
Buildings, net	3,099,744		
Improvements other than buildings, net	104,693		
Machinery and equipment, net	1,171,453		
Total Assets	$ 4,529,013,605	$ 93,971,960	$ 82,320,398
Liabilities:			
Warrants payable	$ 238,143	$	$
Accounts payable and accruals	45,831,897		
Interfund payables	176,728,265	6,059	7,100
Obligations under reverse repurchase agreements	244,442,500		
Total Liabilities	467,240,805	6,059	7,100
Fund Balances:			
Reserved for pension benefit obligations:			
Current retirees and beneficiaries and terminated vested participants	2,087,034,000	70,749,000	133,853,000
Projected benefits for active employees:			
Member contributions	1,218,855,000	7,110,000	20,032,000
Employer-financed portion	2,643,861,000	30,851,000	86,763,000
Total Pension Benefit Obligation	5,949,750,000	108,710,000	240,648,000
Unfunded pension benefit obligation	(1,887,977,200)	(14,744,099)	(158,334,702)
Total Fund Balances	4,061,772,800	93,965,901	82,313,298
Total Liabilities and Fund Balances	$ 4,529,013,605	$ 93,971,960	$ 82,320,398

Supplemental Legislative Retirement Plan	Totals	
	June 30, 1990	June 30, 1989
$ 5,919	$ 14,288,708	$ 19,074,331
	4,396,279,664	3,901,633,060
	18,084,000	38,807,898
	55,274,062	51,910,526
	4,170,036	2,634,220
15,970	36,980,381	24,007,731
409,751	175,776,862	160,893,702
431,640	4,700,853,713	4,198,961,468
	508,000	508,000
	3,099,744	3,188,307
	104,693	108,978
	1,171,453	647,344
$ 431,640	$ 4,705,737,603	$ 4,203,414,097
$	$ 238,143	$ 437,920
	45,831,897	75,204,151
307	176,741,731	161,158,801
	244,442,500	195,374,417
307	467,254,271	432,175,289
	2,291,636,000	2,065,675,000
130,000	1,246,127,000	1,096,946,000
3,095,000	2,764,570,000	2,488,661,000
3,225,000	6,302,333,000	5,651,282,000
(2,793,667)	(2,063,849,668)	(1,880,043,192)
431,333	4,238,483,332	3,771,238,808
$ 431,640	$ 4,705,737,603	$ 4,203,414,097

Pension Trust Funds

Combining Statement of Revenues, Expenses and Changes in Fund Balances
For the Year Ended June 30, 1990

	Public Employees' Retirement System	Highway Safety Patrol Retirement System	Municipal Retirement System
Operating Revenues:			
Member contributions	$ 158,316,663	$ 829,809	$ 2,682,555
State contributions	79,197,364	3,555,409	
Political subdivisions contributions	145,263,051		11,697,339
Interest and other investment income, net	358,296,450	6,919	5,344
Other	284,596		
Total Operating Revenues	741,358,124	4,392,137	14,385,238
Operating Expenses:			
Benefits	213,940,438	5,581,925	13,242,740
Refunds	37,386,414	46,729	111,414
Interest on reverse repurchase agreements	18,951,557		
Administrative expenses:			
Personal services:			
Salaries, wages and fringe benefits	2,328,270		
Travel	51,867		
Contractual services	1,184,377		
Commodities	148,872		
Depreciation	319,015		
Total Operating Expenses	274,310,810	5,628,654	13,354,154
Income (Loss) Before Operating Transfers	467,047,314	(1,236,517)	1,031,084
Operating Transfers In	322,251	7,922,971	6,932,600
Operating Transfers Out	(14,889,722)	(76,903)	(239,887)
Net Income	452,479,843	6,609,551	7,723,797
Fund Balances July 1	3,609,292,957	87,356,350	74,589,501
Fund Balances June 30	$ 4,061,772,800	$ 93,965,901	$ 82,313,298

	Totals for the Year Ended	
Supplemental Legislative Retirement Plan	June 30, 1990	June 30, 1989
$ 129,421	$ 161,958,448	$ 138,932,364
273,067	83,025,840	74,244,000
	156,960,390	137,133,057
155	358,308,868	326,307,918
	284,596	1,554,757
402,643	760,538,142	678,172,096
	232,765,103	205,612,454
	37,544,557	31,889,316
	18,951,557	37,644,179
	2,328,270	2,341,550
	51,867	57,299
	1,184,377	1,144,401
	148,872	92,415
	319,015	250,859
	293,293,618	279,032,473
402,643	467,244,524	399,139,623
34,151	15,211,973	13,228,278
(5,461)	(15,211,973)	(13,228,278)
431,333	467,244,524	399,139,623
	3,771,238,808	3,372,099,185
$ 431,333	$ 4,238,483,332	$ 3,771,238,808

Agency Funds

Combining Balance Sheet
June 30, 1990

	Deferred Compensation Plan	Social Security	Local Government Distributive	Program
Assets:				
Cash and cash equivalents	$ 333,331	$	$ 1,668,443	$ 11,762,358
Investments	118,703,268			2,083,841
Receivables, net:				
Interest and dividends	294,651			36,074
Contributions	939,546	452,635		
Other				4,129,706
Interfund receivables		960,865	17,410	154,186
Commodity inventory				196,575
Total Assets	$ 120,270,796	$ 1,413,500	$ 1,685,853	$ 18,362,740
Liabilities:				
Warrants payable	$	$	$ 28,770	$ 477,738
Accounts payable and accruals	152,348		184,060	35,280
Due to other governments		1,413,500	113,253	157,349
Interfund payables			227,100	7,736,950
Amounts held in custody for others	120,118,448		1,132,670	9,955,423
Total Liabilities	$ 120,270,796	$ 1,413,500	$ 1,685,853	$ 18,362,740

		Totals	
Institutional	Highway Refunded Bonds	June 30, 1990	June 30, 1989
$ 1,570,773	$ 32,068	$ 15,366,973	$ 16,990,096
181,900		120,969,009	105,520,296
725		331,450	209,150
		1,392,181	1,191,377
20,624		4,150,330	5,322,899
		1,132,461	361,271
		196,575	220,543
$ 1,774,022	$ 32,068	$ 143,538,979	$ 129,815,632
$	$ 650	$ 507,158	$ 356,665
9,110		380,798	268,240
		1,684,102	724,313
86,018		8,050,068	4,458,907
1,678,894	31,418	132,916,853	124,007,507
$ 1,774,022	$ 32,068	$ 143,538,979	$ 129,815,632

All Agency Funds

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 1990

	Assets					
Fund	Cash and Cash Equivalents	Investments	Receivables	Interfund Receivables	Commodity Inventory	Total Assets
Deferred Compensation Plan:						
Balance July 1, 1989	$ 369,989	$ 104,363,691	$ 1,115,173	$	$	$ 105,848,853
Additions	132,351,888	133,881,244	1,234,197			267,467,329
Deductions	132,388,546	119,541,667	1,115,173			253,045,386
Balance June 30, 1990	333,331	118,703,268	1,234,197			120,270,796
Social Security:						
Balance July 1, 1989			369,550	256,692		626,242
Additions			452,635	715,535		1,168,170
Deductions			369,550	11,362		380,912
Balance June 30, 1990			452,635	960,865		1,413,500
Local Government Distributive:						
Balance July 1, 1989	385,281		1,136,230	17,870		1,539,381
Additions	25,719,507			17,410		25,736,917
Deductions	24,436,345		1,136,230	17,870		25,590,445
Balance June 30, 1990	1,668,443			17,410		1,685,853
Program:						
Balance July 1, 1989	14,620,903	1,156,605	4,066,473	86,709	220,543	20,151,233
Additions	39,552,751	1,559,566	101,016	154,186	12,046,020	53,413,539
Deductions	42,411,296	632,330	1,709	86,709	12,069,988	55,202,032
Balance June 30, 1990	11,762,358	2,083,841	4,165,780	154,186	196,575	18,362,740
Institutional:						
Balance July 1, 1989	1,545,411		36,000			1,581,411
Additions	7,251,562	181,900	308,914			7,742,376
Deductions	7,226,200		323,565			7,549,765
Balance June 30, 1990	1,570,773	181,900	21,349			1,774,022
Highway Refunded Bonds:						
Balance July 1, 1989	68,512					68,512
Additions	2,342					2,342
Deductions	38,786					38,786
Balance June 30, 1990	32,068					32,068
Total - All Agency Funds:						
Balance July 1, 1989	16,990,096	105,520,296	6,723,426	361,271	220,543	129,815,632
Additions	204,878,050	135,622,710	2,096,762	887,131	12,046,020	355,530,673
Deductions	206,501,173	120,173,997	2,946,227	115,941	12,069,988	341,807,326
Balance June 30, 1990	$ 15,366,973	$ 120,969,009	$ 5,873,961	$ 1,132,461	$ 196,575	$ 143,538,979

Liabilities

Warrants Payable	Accounts Payable and Accruals	Due to Other Governments	Interfund Payables	Amounts Held In Custody for Others	Total Liabilities
$	$ 248,931	$	$	$ 105,599,922	$ 105,848,853
	152,348			15,130,830	15,283,178
	248,931			612,304	861,235
	152,348			120,118,448	120,270,796
		626,242			626,242
		1,168,170			1,168,170
		380,912			380,912
		1,413,500			1,413,500
207,067		85,500	199,357	1,047,457	1,539,381
28,770	184,060	113,253	227,100	19,817,169	20,370,352
207,067		85,500	199,357	19,731,956	20,223,880
28,770	184,060	113,253	227,100	1,132,670	1,685,853
148,948	592	12,571	4,210,898	15,778,224	20,151,233
477,738	36,919	589,240	4,773,856	33,042,386	38,920,139
148,948	2,231	444,462	1,247,804	38,865,187	40,708,632
477,738	35,280	157,349	7,736,950	9,955,423	18,362,740
	18,717		48,652	1,514,042	1,581,411
	168,561		546,183	6,694,588	7,409,332
	178,168		508,817	6,529,736	7,216,721
	9,110		86,018	1,678,894	1,774,022
650				67,862	68,512
650				2,342	2,992
650				38,786	39,436
650				31,418	32,068
356,665	268,240	724,313	4,458,907	124,007,507	129,815,632
507,158	541,888	1,870,663	5,547,139	74,687,315	83,154,163
356,665	429,330	910,874	1,955,978	65,777,969	69,430,816
$ 507,158	$ 380,798	$ 1,684,102	$ 8,050,068	$ 132,916,853	$ 143,538,979

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University Funds

University funds account for all transactions relating to public institutions of higher learning, including a teaching hospital.

University Funds Descriptions

Current Funds	**Unrestricted Fund** - accounts for currently expendable resources which may be either designated or not designated by the universities for specific purposes. **Restricted Fund** - accounts for resources restricted by the donor or external agency for a specific use or program.
Loan Funds	Accounts for resources provided by the federal government, private gifts and other university funds which are available for loans to students.
Endowment Funds	Accounts for resources which are invested in accordance with donor restrictions and only the income earned thereon may be expended.
Plant Funds	Accounts for the various unexpended resources to finance the acquisition and/or repair or replacement of long-lived plant facilities, for renewal and replacement of those facilities constructed from bond proceeds which remain governed under a related bond indenture of trust, for the resources restricted to interest and principal payments and other debt service charges related to plant indebtedness, and for all long-lived assets in the service of the universities and all construction in progress and their associated liabilities.
Agency Funds	Accounts for amounts held in custody for students, university-related organizations and others.

University Funds

Combining Balance Sheet
June 30, 1990

	Current Funds			
	Unrestricted	Restricted	Loan	Endowment and Similar
Assets:				
Cash and cash equivalents	$ 68,507,476	$ 8,072,726	$ 12,937,937	$ 8,628,302
Investments	36,278,160		2,294,106	10,991,679
Accounts receivable, net	38,374,846	182,015	2,318	69,620
Due from other governments	4,367,980	22,631,382	2,774,412	
Interfund receivables	22,634,221	1,465,730	131,918	
Inventories	12,958,643			
Prepaid expenses	6,450,165	513,996		39,170
Loans and notes receivable, net		512,675	50,220,598	
Land				
Buildings				
Improvements other than buildings				
Furniture, machinery and equipment				
Construction in progress				
Books and films				
Assets under capital lease				
Livestock				
Other assets				1,340,068
Total Assets	$ 189,571,491	$ 33,378,524	$ 68,361,289	$ 21,068,839
Liabilities:				
Warrants payable	$ 12,834,527	$	$	$
Accounts payable and accruals	54,548,777	2,685,057	737,673	
Interfund payables	12,431,687	8,672,752	90,790	1,021
Deferred revenue	14,237,983	3,047,522	4,128,097	418,396
General obligation bonds payable				
Revenue bonds and notes payable				
Obligations under capital lease				
Amount held in custody for others				
Other liabilities	1,052,640		2,157,134	
Total Liabilities	95,105,614	14,405,331	7,113,694	419,417
Fund Balances:				
Investment in fixed assets				
Reserved for:				
Encumbrances	9,986,382	380,645		
Research projects		18,592,548		
Student loans			61,247,595	
Endowments				20,649,422
Other specific purposes	1,790,646			
Unreserved:				
Designated for debt service				
Designated for future capital projects	2,780,919			
Designated for other specific purposes	2,762,277			
Undesignated	77,145,653			
Total Fund Balances	94,465,877	18,973,193	61,247,595	20,649,422
Total Liabilities and Fund Balances	$ 189,571,491	$ 33,378,524	$ 68,361,289	$ 21,068,839

Plant Funds					Totals	
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Agency Fund	June 30. 1990	June 30, 1989
$ 22,252,946	$ 8,008,571	$ 3,705,162	$	$ 1,875,885	$ 133,989,005	$ 145,284,314
9,703,482	2,955,429	2,786,982			65,009,838	30,550,682
1,955,404	143,335	31,765		220,868	40,980,171	47,730,134
232,026					30,005,800	18,132,581
572,454				675,584	25,479,907	23,566,122
					12,958,643	14,151,236
1,893		67,606			7,072,830	7,153,120
					50,733,273	49,935,052
			15,409,745		15,409,745	15,043,948
			500,054,581		500,054,581	483,407,998
			56,498,496		56,498,496	43,257,784
			225,099,615		225,099,615	204,776,723
			39,207,488		39,207,488	22,137,305
			95,545,688		95,545,688	91,028,869
			18,944,643		18,944,643	18,442,815
			2,607,663		2,607,663	2,434,516
					1,340,068	1,815,500
$ 34,718,205	$ 11,107,335	$ 6,591,515	$ 953,367,919	$ 2,772,337	$ 1,320,937,454	$ 1,218,848,699
$	$	$	$	$	$ 12,834,527	$ 13,845,226
428,221				134,329	58,534,057	52,297,915
1,893				455,444	21,653,587	21,278,564
2,007,529					23,839,527	21,564,044
			7,867,000		7,867,000	9,261,000
			40,941,082		40,941,082	31,628,335
			6,355,057		6,355,057	7,147,553
				2,182,564	2,182,564	3,246,630
					3,209,774	5,771,297
2,437,643			55,163,139	2,772,337	177,417,175	166,040,564
			898,204,780		898,204,780	832,493,070
400,222					10,767,249	4,364,094
					18,592,548	22,508,475
					61,247,595	59,598,870
					20,649,422	18,141,571
					1,790,646	2,231,856
	11,107,335	6,591,515			17,698,850	16,722,181
31,880,340					34,661,259	26,116,122
					2,762,277	9,178,394
					77,145,653	61,453,502
32,280,562	11,107,335	6,591,515	898,204,780		1,143,520,279	1,052,808,135
$ 34,718,205	$ 11,107,335	$ 6,591,515	$ 953,367,919	$ 2,772,337	$ 1,320,937,454	$ 1,218,848,699

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General Fixed Assets Account Group

The General Fixed Assets Account Group accounts for fixed assets acquired for general governmental purposes. These include all fixed assets except those accounted for in the proprietary and fiduciary fund types.

General Fixed Assets

Schedule of General Fixed Assets by Function
June 30, 1990

	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Total
General government	$ 6,440,478	$ 68,194,505	$ 3,279,213	$ 24,571,685	$ 102,485,881
Education	223,885	7,517,955	836,501	107,648,381	116,226,722
Health and social services	1,086,154	103,315,215	8,873,690	75,982,853	189,257,912
Law, justice and public safety	4,167,324	162,355,352	16,821,591	35,301,483	218,645,750
Recreation and resources development	34,048,740	30,254,544	24,560,478	37,908,002	126,771,764
Regulation of business and professions		1,502,770	59,876	2,736,628	4,299,274
Transportation	3,209,871	17,712,647		74,630,939	95,553,457
Total General Fixed Assets Allocated to Functions	$ 49,176,452	$ 390,852,988	$ 54,431,349	$ 358,779,971	853,240,760
Construction in progress					52,773,577
Total General Fixed Assets					$ 906,014,337

General Fixed Assets

Schedule of Changes in General Fixed Assets
For the Year Ended June 30, 1990

	Balance July 1, 1989	Additions	Deletions	Balance June 30, 1990
Land	$ 49,074,458	$ 135,810	$ 33,816	$ 49,176,452
Buildings	369,410,955	24,920,563	3,478,530	390,852,988
Improvements other than buildings	51,457,159	2,999,124	24,934	54,431,349
Machinery and equipment	343,218,704	39,124,893	23,563,626	358,779,971
Construction in progress	43,526,418	33,246,457	23,999,298	52,773,577
Total	$ 856,687,694	$ 100,426,847	$ 51,100,204	$ 906,014,337

General Fixed Assets

Schedule of Changes in General Fixed Assets by Function
For the Year Ended June 30, 1990

	Balance July 1, 1989	Additions	Deletions	Balance June 30, 1990
General government	$ 100,560,661	$ 3,094,954	$ 1,169,734	$ 102,485,881
Education	114,025,206	7,062,965	4,861,449	116,226,722
Health and social services	187,197,339	10,928,266	8,867,693	189,257,912
Law, justice and public safety	194,933,927	29,169,014	5,457,191	218,645,750
Recreation and resources development	121,328,011	8,397,717	2,953,964	126,771,764
Regulation of business and professions	3,744,846	838,970	284,542	4,299,274
Transportation	91,371,286	7,688,504	3,506,333	95,553,457
Total by Function	813,161,276	67,180,390	27,100,906	853,240,760
Construction in progress	43,526,418	33,246,457	23,999,298	52,773,577
Total	$ 856,687,694	$ 100,426,847	$ 51,100,204	$ 906,014,337

Statistical and Economic Data

The accompanying statistical tables of the State of Mississippi reflect social and economic data to allow a broader understanding of the environment in which the State operates, as well as historical perspectives and financial trends to assess the fiscal capacity of State government. Statistical tables differ from financial statements because they usually cover more than two fiscal years and present certain nonaccounting data.

Expenditures by Function

All Governmental Fund Types

Table I

For the Last Ten Fiscal Years

Function	1990	1989	1988	1987
General government	$ 504,340,737	$ 580,594,719	$ 552,039,478	$ 563,363,466
Education	1,263,665,620	1,172,932,212	1,079,384,591	990,150,863
Health and social services	1,494,997,371	1,304,660,205	1,210,532,946	1,091,492,513
Law, justice and public safety	181,206,569	156,892,586	141,321,027	128,921,691
Recreation and resources development	147,773,182	86,743,624	76,166,478	71,186,883
Regulation of business and professions	14,854,617	13,462,811	12,529,439	11,691,234
Transportation	389,375,419	381,578,439	368,511,759	345,886,759
Other		6,044,047		
Debt service	78,020,157	78,563,137	69,850,979	70,855,756
Capital outlay	31,497,185	34,274,787	39,802,947	23,912,713
Total Expenditures - All Governmental Fund Types	$ 4,105,730,857	$ 3,815,746,567	$ 3,550,139,644	$ 3,297,461,878

Source: Fiscal Years 1981-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

Revenues by Source

All Governmental Fund Types

Table II

For the Last Ten Fiscal Years

Source	1990	1989	1988	1987
State taxes	$ 2,303,885,659	$ 2,246,035,054	$ 2,108,761,067	$ 1,936,314,231
Licenses, fees and permits	72,833,646	70,253,943	67,951,375	68,864,112
Federal government	1,662,309,666	1,495,328,622	1,466,436,992	1,357,658,109
Interest on investments	67,455,106	63,008,328	51,286,199	40,643,739
Charges for services	159,413,406	151,958,748	144,438,159	149,054,593
Other	59,599,242	42,935,296	41,862,927	53,996,164
Total Revenues - All Governmental Fund Types	$ 4,325,496,725	$ 4,069,519,991	$ 3,880,736,719	$ 3,606,530,948

Source: Fiscal Years 1981-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

State Tax Revenues by Source

All Governmental Fund Types

Table III

For the Last Ten Fiscal Years

Source	1990	1989	1988	1987
Sales and use	$ 1,094,136,211	$ 1,036,728,598	$ 998,278,412	$ 1,028,554,608
Gasoline	293,251,592	281,006,625	267,456,177	146,209,173
Motor fuel and privilege	42,652,735	42,890,469	35,745,786	32,564,066
Motor vehicle registration	27,648,240	27,278,395	25,541,153	16,638,198
Individual income	429,846,728	404,416,608	354,683,410	301,892,455
Alcoholic beverage	36,906,676	36,202,654	37,442,650	40,646,026
Corporate income and franchise	160,669,921	190,448,101	166,391,026	159,608,380
Severance	45,318,586	45,394,481	51,265,864	50,718,929
Inheritance	10,256,312	13,374,950	15,983,928	9,590,186
Tobacco	50,538,866	53,166,607	53,450,116	54,506,774
Insurance	87,496,307	90,547,506	78,025,929	72,592,006
Nuclear power	19,193,410	19,196,320	19,487,214	17,809,814
Other	5,970,075	5,383,740	5,009,402	4,983,616
Total Tax Revenues - All Governmental Fund Types	$ 2,303,885,659	$ 2,246,035,054	$ 2,108,761,067	$ 1,936,314,231

Source: Fiscal Years 1981-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Note: Governmental Fund Types are described in Note 1C of the Notes to the Financial Statements.

1986	1985	1984	1983	1982	1981
$ 518,400,624	$ 699,728,000	$ 512,673,000	$ 468,592,000	$ 443,983,000	$ 366,236,000
926,116,360	821,412,000	784,538,000	744,434,000	733,351,000	785,427,000
1,035,220,515	761,171,000	718,295,000	600,360,000	636,251,000	655,269,000
131,847,247	117,394,000	130,680,000	130,611,000	94,245,000	88,111,000
71,823,984	56,533,000	73,553,000	63,626,000	65,220,000	52,591,000
11,991,342	11,673,000	10,828,000	10,417,000	8,479,000	8,717,000
403,514,955	385,511,000	344,563,000	339,996,000	349,886,000	374,889,000
83,729,277	66,058,000	66,278,000	67,090,000	68,590,000	66,678,000
24,821,686	41,804,000	25,841,000	23,573,000	39,151,000	67,089,000
$ 3,207,465,990	$ 2,961,284,000	$ 2,667,249,000	$ 2,448,699,000	$ 2,439,156,000	$ 2,465,007,000

1986	1985	1984	1983	1982	1981
$ 1,914,287,342	$ 1,732,596,000	$ 1,704,152,000	$ 1,476,277,000	$ 1,419,325,000	$ 1,376,129,000
63,921,086	72,882,000	78,374,000	66,702,000	60,836,000	51,943,000
1,281,370,804	940,752,000	853,382,000	773,398,000	786,953,000	811,482,000
48,004,810	41,670,000	34,241,000	45,526,000	60,919,000	46,049,000
144,081,738	168,266,000	179,265,000	158,766,000	157,174,000	142,436,000
82,900,759	178,580,000	141,080,000	177,013,000	104,631,000	167,381,000
$ 3,534,566,539	$ 3,134,746,000	$ 2,990,494,000	$ 2,697,682,000	$ 2,589,838,000	$ 2,595,420,000

1986	1985	1984	1983	1982	1981
$ 1,039,574,306	$ 932,159,000	$ 888,024,000	$ 761,866,000	$ 767,460,000	$ 724,493,000
149,982,500	123,203,000	114,776,000	113,541,000	94,967,000	112,333,000
33,512,443	32,267,000	29,139,000	27,388,000	26,888,000	21,408,000
15,998,562	11,734,000	11,089,000	10,238,000	10,000,000	10,050,000
276,966,108	219,492,000	258,207,000	197,188,000	167,783,000	200,145,000
39,417,374	37,949,000	35,492,000	35,953,000	36,302,000	34,795,000
146,757,143	172,973,000	167,544,000	110,449,000	106,480,000	95,743,000
70,212,788	92,899,000	102,956,000	114,627,000	117,013,000	87,886,000
13,038,645	10,688,000	8,555,000	8,043,000	6,587,000	6,053,000
54,424,436	36,599,000	34,081,000	35,067,000	35,074,000	34,510,000
69,236,432	54,969,000	49,818,000	57,468,000	42,256,000	39,923,000
5,166,605	7,664,000	4,471,000	4,449,000	8,515,000	8,790,000
$ 1,914,287,342	$ 1,732,596,000	$ 1,704,152,000	$ 1,476,277,000	$ 1,419,325,000	$ 1,376,129,000

Net General Long-term Bonded Debt Per capita

For the Last Ten Fiscal Years

Table IV

Fiscal Year	Population	General Long-term Bonded Debt Principal Outstanding	 Less: Debt Service Fund	 Net	Net General Long-term Debt Per capita
1990	2,650,000	$ 584,057,762	$ 221,595,205	$ 362,462,557	$ 137
1989	2,622,500	523,638,280	194,169,174	329,469,106	126
1988	2,620,400	498,226,743	193,372,739	304,854,004	116
1987	2,623,300	412,808,663	158,121,316	254,687,347	97
1986	2,623,300	425,419,155	172,626,190	252,792,965	96
1985	2,614,200	718,578,000	218,762,000	499,816,000	191
1984	2,600,600	745,133,000	181,258,000	563,875,000	217
1983	2,585,000	763,782,000	151,905,000	611,877,000	237
1982	2,568,600	782,421,000	117,880,000	664,541,000	259
1981	2,547,600	774,558,000	91,339,000	683,219,000	268

Source: Population at December 31, 1981-1989 -- U.S. Department of Commerce, Bureau of the Census
Population at December 31, 1990 - (Estimated) -- Mississippi Econometric Model
General Long-term Bonded Debt -- State Treasurer
Debt Service Funds Available -- Fiscal Years 1981-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Notes:

(1) Total general long-term bonded debt and notes include limited obligation bonds payable from specific General Fund (GAAP Basis) revenues; it excludes general obligation bonds payable from enterprise and university funds.

(2) Debt service fund represents monies designated for retirement of general long-term bonded debt for fiscal years 1981-1985 and represents designated general and debt service fund balances as reflected in Mississippi Comprehensive Annual Financial Report for fiscal years 1986-1990.

Ratio of Annual Debt Service for General Long-term Bonded Debt to Total Revenues and Expenditures

For the Last Ten Fiscal Years

Table V

Fiscal Year	Total Debt Service	Revenues	Ratio	Expenditures	Ratio
1990	$ 78,020,157	$ 4,325,496,725	1.8	$ 4,105,730,857	1.9
1989	78,563,137	4,069,519,991	1.9	3,815,746,567	2.1
1988	69,850,979	3,880,736,719	1.8	3,550,139,644	1.9
1987	70,855,756	3,606,530,948	2.0	3,297,461,878	2.1
1986	83,729,277	3,534,566,539	2.4	3,207,465,990	2.6
1985	66,058,000	3,134,746,000	2.1	2,961,284,000	2.2
1984	66,278,000	2,990,494,000	2.2	2,667,249,000	2.5
1983	67,090,000	2,697,682,000	2.5	2,448,699,000	2.7
1982	68,590,000	2,589,838,000	2.6	2,439,156,000	2.8
1981	66,678,000	2,595,420,000	2.6	2,465,007,000	2.7

Source: Total Debt Service, Revenues and Expenditures -- Fiscal Years 1981-1985 -- Cash Basis Records of State of Mississippi, Department of Public Accounts
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Note: Total debt service represents principal and interest paid on general and limited obligation bonds.

Computation of Legal Debt Margin

June 30, 1990

Table VI

Legal debt limit (1 1/2 times revenue collected during any one of the four preceeding years, whichever is higher) (1)		$ 3,875,673,536
Amount of debt applicable to debt limit (2)	$ 584,057,762	
Less: amounts available for debt service	221,595,205	
Net amount of debt applicable to debt limit		362,462,557
Legal Debt Margin		$ 3,513,210,979

Notes:

(1) The State's constitutional debt limit is established under Section 115 of the Mississippi Constitution at one and one-half times the sum of all revenues collected by the State during any one of the four preceeding fiscal years, whichever may be higher. Revenues included in the foregoing debt limitation computation are restricted by current practice to the following governmental fund revenues: taxes, licenses, fees and permits, investment income, rental income, service charges (including net income from the sale of alcoholic beverages), fines, forfeits, and penalties. Defined revenues for the four preceeding years were:

Fiscal Year	Applicable Governmental Fund Revenues
1989	$ 2,583,782,357
1988	2,368,343,135
1987	2,276,832,839
1986	2,216,591,660

(2) The legal debt limit applies to total general long-term bonded debt, which includes limited obligation bonds payable from specific General Fund revenues and excludes general obligation bonds payable from enterprise and university funds.

Revenue Bond Coverage

For the Last Ten Fiscal Years

Table VII

MISSISSIPPI HOME CORPORATION (1)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1990	$ 55,871,962	$ 3,029,044	$ 52,842,918	$ 178,079,172	$ 49,996,904	$ 228,076,076	.23
1989	63,017,057	5,068,460	57,948,597	172,297,602	55,739,013	228,036,615	.25
1988	77,310,337	8,961,208	68,349,129	242,944,087 *	67,553,038	310,497,125	.22
1987	76,594,306	2,086,464	74,507,842	33,445,500	69,300,520	102,746,020	.73
1986	61,294,148	1,097,151	60,196,997	11,940,182	53,820,543	65,760,725	.92
1985	41,992,150	739,397	41,252,753	62,035,000	35,660,308	97,695,308	.42
1984	32,549,034	537,156	32,011,878	1,975,000	30,151,984	32,126,984	1.00
1983	16,352,995	417,622	15,935,373		14,019,496	14,019,496	1.14
1982	15,778,166	341,423	15,436,743		12,863,767	12,863,767	1.20

* The Corporation redeemed $146,945,000 of principal with bond proceeds not used to purchase mortgage loans.

MISSISSIPPI HOSPITAL EQUIPMENT AND FACILITIES AUTHORITY (2)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1990	$ 14,032,515	$ 1,084,311	$ 12,948,204	$ 8,965,000	$ 13,320,217	$ 22,285,217	.58
1989	13,073,469	944,041	12,129,428	2,745,000	11,393,900	14,138,900	.86
1988	12,009,264	1,056,623	10,952,641	10,870,000 *	10,833,937	21,703,937	.50
1987	4,634,377	686,178	3,948,199	3,795,000	3,425,714	7,220,714	.55
1986	2,310,228	260,301	2,049,927		1,948,188	1,948,188	1.05
1985	2,266,294	267,173	1,999,121		1,856,190	1,856,190	1.08

* The Authority redeemed $6,830,000 of principal for extraordinary mandatory redemption in accordance with the bond indenture.

MISSISSIPPI FAIR COMMISSION (3)

Fiscal Year	Gross Revenues	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1990	$ 2,506,983	$ 2,449,834	$ 57,149	$ 45,000	$ 137,811	$ 182,811	.31
1989	2,530,133	2,363,314	166,819	40,000	138,826	178,826	.94
1988	2,523,795	2,177,886	345,909	257,000	153,825	410,825	.84
1987	2,299,013	2,067,301	231,712	86,000	159,716	245,716	.94
1986	2,174,302	2,151,464	22,838	35,000	92,559	127,559	.18
1985	2,245,444	2,121,500	123,944	50,000	21,015	71,015	1.75
1984	3,159,342	2,594,651	564,691	45,000	24,030	69,030	8.18
1983	2,099,219	1,625,450	473,769	40,000	26,725	66,725	7.10
1982	1,687,934	1,419,069	268,865	39,000	28,994	67,994	3.95
1981	1,562,743	1,436,058	126,685	39,000	31,411	70,411	1.80

Source: Fiscal Years 1981-1985 -- Audited Financial Statements of Individual Agencies
Fiscal Years 1986-1990 -- Mississippi Comprehensive Annual Financial Report, GAAP Basis

Notes:

(1) Mississippi Home Corporation, whose fiscal year ends August 31, issued its first series of revenue bonds September 1, 1980 (fiscal year ended August 31, 1981). Under Mississippi Home Corporation's bond resolutions, investments and scheduled amounts of principal installments, including anticipated mortgage loan prepayments, are pledged to satisfy debt service requirements not covered by gross revenues; therefore, the State is not in default on any outstanding bonds.

(2) Revenue bonds were issued by Mississippi Hospital Equipment and Facilities Authority during fiscal year 1985.

(3) Revenue bonds were issued by the Mississippi Fair Commission during fiscal years 1969 through 1985.

Demographic Statistics

For the Last Ten Calendar Years

Table VIII

Calendar Year	Population	Per capita Income (Current $)	Median Age	Public School Enrollment	Unemployment Rate
1989	2,622,500	$ 11,823	31.2	503,326	8.0%
1988	2,620,400	11,116	30.9	505,550	8.4
1987	2,623,300	10,318	30.6	498,639	10.1
1986	2,623,300	9,689	30.4	459,631	11.7
1985	2,614,200	9,262	30.0	459,049	10.3
1984	2,600,600	8,942	29.7	461,272	10.8
1983	2,585,000	8,307	29.3	462,581	12.6
1982	2,568,600	8,028	29.0	466,521	11.0
1981	2,547,600	7,673	28.6	472,304	8.3
1980	2,524,700	6,944	28.1	482,041	7.5

Source: Population -- U.S. Department of Commerce, Bureau of the Census
Per capita Income -- Mississippi Econometric Model
Median Age -- Sales and Marketing Management, Survey of Buying Power, 1981-1990
Public Schools -- Kindergarten - Grade 12 -- Academic Year -- Mississippi State Department of Education
Unemployment Rate -- Mississippi Employment Security Commission

Economic Characteristics

For the Last Ten Calendar Years

Table IX

Calendar Year	Gross State Product (Current $)	Gross State Product (Inflation-Adjusted $)	Personal Income (Current $)	Personal Income (Inflation-Adjusted $)	Average Annual Consumer Price Index
1989	$ 38,973,000,000	$ 31,430,000,000	$ 31,023,000,000	$ 25,019,000,000	124.0
1988	36,556,000,000	30,875,000,000	29,147,000,000	24,617,000,000	118.4
1987	33,553,000,000	29,510,000,000	27,077,000,000	23,814,000,000	113.7
1986	31,831,000,000	29,016,000,000	25,402,000,000	23,156,000,000	109.7
1985	30,819,000,000	28,616,000,000	24,175,000,000	22,447,000,000	107.7
1984	29,637,000,000	28,525,000,000	23,160,000,000	22,291,000,000	103.9
1983	26,612,000,000	26,719,000,000	21,431,000,000	21,517,000,000	99.6
1982	25,537,000,000	26,463,000,000	20,552,000,000	21,297,000,000	96.5
1981	24,546,000,000	27,003,000,000	19,489,000,000	21,440,000,000	90.9
1980	21,469,000,000	26,055,000,000	17,500,000,000	21,238,000,000	82.4

Source: Gross State Product (GSP) -- Years 1980-1986 -- U. S. Department of Commerce, Bureau of Economic Analysis (BEA)
Years 1987-1989 -- Mississippi Econometric Model
Gross State Product (Inflation Adjusted) -- GSP divided by Average Annual Consumer Price Index (CPI)
Personal Income (TPI) -- U.S. Dept. of Commerce, BEA
Personal Income (Inflation Adjusted) -- TPI divided by CPI
Average Annual Consumer Price Index -- U.S. Dept. of Commerce

Bank Deposits, Retail Sales, Median Household Disposable Income

For the Last Ten Calendar Years

Table X

Calendar Year	Bank Deposits	Retail Sales	Individual IRS Collections	Median Household Disposable (Aftertax) Income
1989	$ 17,219,683,000	$ 17,883,000,000	$ 3,074,403,000	$ 18,090
1988	16,511,181,000	17,207,000,000	3,477,964,000	16,665
1987	15,829,544,000	17,400,000,000	3,108,726,000	17,462
1986	15,106,582,000	16,202,000,000	2,648,968,000	17,111
1985	14,376,524,000	15,482,000,000	2,455,643,000	16,448
1984	13,383,748,000	14,052,000,000	2,284,784,000	18,099
1983	12,612,905,000	14,558,600,000	2,211,118,000	17,020
1982	11,571,314,000	14,886,800,000	2,528,495,000	16,019
1981	10,806,099,000	14,311,200,000	1,994,670,000	14,066
1980	9,796,932,000	13,343,600,000	1,718,718,000	13,387

Source: Bank Deposits -- Department of Banking and Consumer Finance
Retail Sales -- Years 1980-1986 -- Mississippi Econometric Model
Years 1987-1989 -- Mississippi State Tax Commission
Individual IRS Collections -- Internal Revenue Service
Median Household Disposable (Aftertax) Income -- Sales and Marketing Management, Survey of Buying Power, 1981-1990

Population and Employment

For the Last Ten Calendar Years

Table XI

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980
Population	2,622,500	2,620,400	2,623,300	2,623,300	2,614,200	2,600,600	2,585,000	2,568,600	2,547,600	2,524,700
Employed	1,073,100	1,048,100	1,035,100	1,020,000	1,011,100	958,000	929,000	947,100	971,000	982,100
Unemployed	93,000	96,200	116,700	135,000	116,200	116,300	133,600	116,900	88,000	79,100
Total Labor Force	1,166,100	1,144,300	1,151,800	1,155,000	1,127,300	1,074,300	1,062,600	1,064,000	1,059,000	1,061,200
Mississippi Unemployment Rate	8.0%	8.4%	10.1%	11.7%	10.3%	10.8%	12.6%	11.0%	8.3%	7.5%
U.S. Unemployment Rate	6.5%	6.7%	7.4%	8.3%	8.3%	8.5%	10.7%	10.7%	8.3%	7.7%

Source: Population -- U.S. Department of Commerce, Bureau of the Census
Employed, Unemployed, Mississippi Unemployment Rate -- Mississippi Employment Security Commission
U.S. Unemployment Rate -- U. S. Department of Commerce, Bureau of Labor Statistics

Principal Industrial Employers

(Ranked by Number of Employees)

Table XII

Company	Number of Plants	Number of Employees
Litton Industries	1	10,694
General Motors Corporation	6	3,439
International Paper Company	8	3,326
Georgia-Pacific Corporation	13	3,156
Sara Lee Corporation	4	2,768
McCarty Farms, Inc.	3	2,531
Masco Industries	4	2,367
Delta Pride Catfish, Inc.	2	1,937
MagneTek, Inc.	3	1,864
Mason & Hanger - Silas Mason Company, Inc.	1	1,843
Peavey Electronics Corporation	3	1,800
United Technologies Corporation	1	1,800
Choctaw Maid Farms, Inc.	3	1,788
B. C. Rogers, Inc.	3	1,775
Sanderson Farms, Inc.	4	1,733
Kellwood Company	6	1,691
Mohasco Corporation	5	1,662
Lane Company, Inc.	3	1,643
VF Corporation	8	1,628
Croft Metals, Inc.	2	1,530
Allegheny International, Inc.	6	1,448
Sanmark Stardust, Inc.	8	1,448
MTD Products, Inc.	3	1,435
Beech Aerospace Services, Inc.	1	1,430
Marshall Durbin Industries	5	1,405

Source: Mississippi Department of Economic Development - 1990 Mississippi Manufacturers' Directory

Mississippi Average Annual Employment by Sector

Table XIII

Employment by Sector	1989	1988	1987	1986
Manufacturing	243,500	238,800	228,600	223,700
Construction	36,400	35,200	33,800	35,200
Mining	5,900	6,200	6,000	6,700
Trade	197,500	191,400	185,100	182,100
Services	153,500	145,400	138,800	134,000
Finance, insurance and real estate	39,000	38,900	38,400	37,300
Transportation, communication and utilities	45,600	44,200	42,400	39,800
Total government	198,700	195,700	191,100	189,500

Source: Mississippi Employment Security Commission

Mississippi Average Annual Wages by Sector

Table XIV

Wages by Sector	1989	1988	1987	1986
Agriculture, forestry and fisheries	$ 11,951	$ 11,673	$ 11,410	$ 10,700
Manufacturing	18,637	18,341	17,824	17,388
Construction	17,926	16,959	16,454	15,863
Mining	24,223	23,702	23,070	23,668
Wholesale trade	21,341	20,575	19,864	19,241
Retail trade	10,164	10,048	9,919	9,702
Services	16,425	15,581	14,713	14,045
Finance, insurance and real estate	20,070	19,424	18,891	18,175
Transportation, communication and utilities	24,168	23,219	22,728	21,949
Total government	15,801	15,194	14,325	13,981

Source: Mississippi Employment Security Commission

1985	1984	1983	1982	1981	1980
221,700	218,800	204,700	203,300	220,400	221,800
36,600	37,100	36,200	39,600	42,300	43,500
8,900	9,100	8,800	11,800	12,800	10,800
177,500	173,600	165,200	161,600	163,400	164,000
130,600	125,800	124,600	122,100	121,000	121,100
35,600	34,200	33,500	32,900	32,800	32,800
39,700	39,100	38,600	39,600	40,500	40,800
188,500	183,200	181,000	180,000	185,900	194,500

1985	1984	1983	1982	1981	1980
$ 9,941	$ 9,613	$ 9,404	$ 9,939	$ 8,989	$ 8,701
16,764	16,126	15,566	14,654	13,596	12,266
15,305	14,999	16,320	17,297	15,929	13,490
23,601	22,775	22,551	22,008	20,653	18,342
18,887	17,715	16,762	16,136	15,360	14,341
9,603	9,399	9,051	8,631	8,297	7,733
13,396	12,871	12,353	11,758	10,791	9,770
17,297	16,264	15,568	14,652	13,700	12,558
21,356	20,428	19,726	18,664	17,466	15,811
13,295	12,633	11,957	11,366	10,557	9,537

Public School Enrollment

For the Last Ten Academic Years **Table XV**

Grade	1989/1990	1988/1989	1987/1988	1986/1987
Kindergarten	37,302	37,825	37,920	33,528
Grades 1-3	127,678	129,254	128,742	126,979
Grades 4-6	119,277	117,844	115,624	113,913
Grades 7-9	114,854	112,438	113,426	114,715
Grades 10-12	90,526	93,998	98,190	98,719
Special Education	12,383	11.967	11,648	10,785
Total Enrollment	502,020	503,326	505,550	498,639

Source: Mississippi State Department of Education

* The Education Reform Act of 1982 required public kindergartens beginning with the 1986/1987 academic year.

Full-time Equivalent Student Enrollment - Community and Junior Colleges

For the Last Ten Academic Years **Table XVI**

Community and Junior College	1989/1990	1988/1989	1987/1988	1986/1987
Coahoma Community College	1,737	1,685	1,669	1,649
Copiah-Lincoln Community College	2,341	2,084	2,035	1,931
East Central Community College	1,437	1,467	1,422	1,207
East Mississippi Community College	1,034	966	1,336	1,251
Mississippi Gulf Coast Community College	8,836	8,545	8,042	7,600
Hinds Community College	9,083	8,712	8,988	8,374
Holmes Community College	1,832	1,790	1,519	1,592
Itawamba Community College	3,658	3,328	3,111	2,951
Jones Junior College	4,046	3,887	3,290	2,899
Meridian Community College	2,511	2,677	2,463	2,058
Mississippi Delta Community College	3,042	2,793	2,440	2,403
Northeast Mississippi Community College	3,409	3,205	3,224	2,965
Northwest Mississippi Community College	3,793	3,834	3,343	3,180
Pearl River Community College	2,907	2,807	2,725	2,559
Southwest Mississippi Community College	1,548	1,425	1,337	1,268
Utica Junior College	*	*	*	*
Total Community and Junior Colleges	51,214	49,205	46,944	43,887

Source: Mississippi State Board for Community and Junior Colleges

* Hinds and Utica Organized Into a Unitary District.

Full-time Equivalent Student Enrollment - Universities

For the Last Ten Academic Years **Table XVII**

University	1989/1990	1988/1989	1987/1988	1986/1987
Alcorn State University	2,744	2,525	2,377	2,247
Delta State University	3,193	3,075	2,951	2,842
Jackson State University	6,308	6,081	5,396	5,542
Mississippi University for Women	1,597	1,524	1,451	1,443
Mississippi State University	12,286	11,646	11,081	10,481
Mississippi Valley State University	1,692	1,715	1,829	1,953
University of Mississippi	9,869	9 069	8,633	8,439
University of Southern Mississippi	10,927	10,044	9,295	10,004
Total Universities	48,616	45,679	43,013	42,951
University of Mississippi Medical School	2,076	1,404	1,412	1,508

Source: Board of Trustees of State Institutions of Higher Learning, State of Mississippi

1985/1986	1984/1985	1983/1984	1982/1983	1981/1982	1980/1981
*	*	*	*	*	*
125,069	122,053	120,601	116,044	115,580	115,279
109,173	109,065	110,119	114,975	119,551	122,113
118,579	122,896	125,175	125,046	122,844	124,009
96,675	95,537	96,911	98,720	100,986	103,507
10,135	9,498	8,466	7,796	7,560	7,396
459,631	459,049	461,272	462,581	466,521	472,304

1985/1986	1984/1985	1983/1984	1982/1983	1981/1982	1980/1981
1,559	1,308	1,967	2,043	1,895	1,805
1,783	1,926	1,996	1,956	1,728	1,948
1,175	1,135	1,044	883	792	770
1,010	1,010	991	1,220	1,222	1,216
7,086	7,230	7,732	6,912	7,143	6,666
7,221	7,672	8,300	8,848	6,827	6,590
1,174	922	1,212	1,263	1,212	1,311
2,821	2,970	2,933	3,585	3,391	3,401
2,551	2,710	2,761	2,730	2,624	2,638
2,903	3,025	3,223	3,141	3,050	2,799
2,126	2,204	2,174	2,357	2,233	2,162
3,117	2,749	2,731	2,895	2,645	2,542
3,994	3,603	4,845	4,494	4,100	3,845
2,167	2,366	2,366	2,418	2,699	2,599
1,220	1,242	1,345	1,323	1,259	1,184
*	*	*	*	1,301	1,282
41,907	42,072	45,620	46,068	44,121	42,758

1985/1986	1984/1985	1983/1984	1982/1983	1981/1982	1980/1981
2,285	2,199	2,375	2,277	2,241	2,208
2,627	2,892	2,841	2,701	2,604	2,558
5,689	5,419	5,576	5,756	6,156	6,035
1,591	1,688	1,798	1,516	1,600	1,772
10,812	10,818	11,378	11,172	10,714	10,555
2,080	2,280	2,445	2,092	2,353	2,421
8,393	8,100	8,554	8,818	8,927	8,944
9,987	10,186	10,276	9,870	9,503	9,245
43,464	43,582	45,243	44,202	44,098	43,738
1,638	1,737	1,759	1,733	1,680	1,617

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